



Dear Carpentaria Shareholder

The Company's extraordinary general meeting will be held this year online at 11.00am on Tuesday, 10 August 2021.

The Company is pleased to provide Shareholders with the opportunity to participate in the Meeting virtually through an online platform at <https://agmlive.link/CAP2021>.

Due to constraints caused by the COVID-19 Pandemic and Government restrictions on in-person meetings, the meeting will be held on-line. Shareholders will be able to participate virtually via an on-line platform provided by our Share Registry Link Market Services .

Based on ASIC's stated 'no-action' position concerning the sending of virtual company notices, this Notice of Meeting and accompanying Explanatory Statement are being made available to Shareholders electronically via the Investors Tab on the Company's website (<https://www.carpentariares.com.au/>) and the ASX market announcements platform (ASX:CAP).

You may also view the Notice of Meeting setting out the business to be considered at the Meeting and the Virtual Meeting Online Guide (which contains information on how to join the meeting virtually) at either of the sites referred to above.

We are also offering all shareholders the opportunity to lodge their proxy vote online. If you would like to take advantage of this service, please visit the following website to lodge your proxy vote(s):

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Once you have logged into the site, you will need to enter your postcode (Australian address) or country code (overseas address). Please follow the instructions to lodge your proxy.

If you have problems accessing this service, please contact our share registry, Link Market Services on +61 1300 554 474 or email [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au).

Regards,  
Bob Hair  
Company Secretary  
Carpentaria Resources Limited

---

**CARPENTARIA RESOURCES LIMITED**

**A.C.N. 095 117 981**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

---

**TIME:** 11:00am (AEST)

**DATE:** 10 August 2021

**PLACE:** <https://agmlive.link/CAP2021>

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Bob Hair on +61(7) 3220 2022***

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

Notice is given that the Extraordinary General Meeting of Shareholders of Carpentaria Resources Limited will be held at 11:00am (AEST) on 10 August 2021.

The Company is pleased to provide Shareholders with the opportunity to participate in the Meeting virtually through an online platform at <https://agmlive.link/CAP2021>. Further information on how to participate in the Meeting online is set out in Section 2 of the Explanatory Statement.

The Explanatory Statement provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement is part of this Notice of Meeting.

Capitalised terms used in the Notice are defined in Schedule 1 (Definitions).

The directors have determined pursuant to Regulation 7.11.37 of the *Corporation Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 8 August 2021 at 6:00pm (AEST).

You are encouraged to complete, sign and deliver the accompanying Proxy Form and return it in accordance with the instructions set out below.

### AGENDA

---

#### 1. RESOLUTION 1 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

*"That with effect from the date that ASIC alters the details of the Company's registration in accordance with section 157 of the Corporations Act, the name of the Company be changed to Hawsons Iron Limited."*

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 1.

---

#### 2. RESOLUTION 2 – APPROVAL OF HAWSONS IRON OPTION PLAN

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.2, Exception 13(b), and for all other purposes, Shareholders approve the Hawsons Iron Option Plan (the terms of which are summarised in the Explanatory Statement accompanying this Notice of Meeting) and the issue of securities under the Hawsons Iron Option Plan."*

##### Short Explanation

ASX Listing Rule 7.1 provides that shareholder approval is required before the Company may issue certain securities representing more than 15% of the capital of the Company within a twelve-month period. Securities issued to a person participating in an employee share option plan are exempt from ASX Listing Rule 7.1 where the issue of securities under the plan has been approved by shareholders at a general meeting of shareholders held not more than three years before the date of the issue.

Prior to making a decision with respect to Resolution 2, Shareholders should refer to the relevant section of the Explanatory Statement to this Notice of Meeting.

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution 2 by or on behalf of any person who is eligible to participate in the employee incentive scheme (being Directors and other officers, employees, contractors and consultants of the Company or its subsidiaries) or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 2.

---

### **3. RESOLUTION 3 – APPROVAL OF GRANT OF OPTIONS TO MR BRYAN GRANZIEN**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of section 208 of the Corporations Act, ASX Listing Rule 10.14, and for all other purposes, Shareholders approve the issue of 8,000,000 Options to Mr Bryan Granzien (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution 3 by or on behalf of Mr Bryan Granzien or any other Director or officer of the Company and its subsidiaries or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on the Resolution if: (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if: (a) the person casting the vote is the Chairman; and (b) the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 3.

---

## **4. RESOLUTION 4 – APPROVAL OF GRANT OF OPTIONS TO MR PAUL CHOLAKOS**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of section 208 of the Corporations Act, ASX Listing Rule 10.14, and for all other purposes, Shareholders approve the issue of 5,000,000 Options to Mr Paul Cholakos (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution 4 by or on behalf of Mr Paul Cholakos or any other Director or officer of the Company and its subsidiaries or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

- the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on the Resolution if: (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if: (a) the person casting the vote is the Chairman; and (b) the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 4.

---

## **5. RESOLUTION 5 – APPROVAL OF GRANT OF OPTIONS TO MR JON PARKER**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of section 208 of the Corporations Act, ASX Listing Rule 10.14, and for all other purposes, Shareholders approve the issue of 5,000,000 Options to Mr Jon Parker (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of Mr Jon Parker or any other Director or officer of the Company and its subsidiaries or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on the Resolution if: (a) the proxy is either a member of the Key

Management Personnel or a Closely Related Party of such member; and (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if: (a) the person casting the vote is the Chairman; and (b) the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 5.

---

## 6. RESOLUTION 6 – RATIFICATION OF FIRST PLACEMENT

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 75,808,112 fully paid ordinary shares (**First Placement Shares**) to institutional, sophisticated, and professional investors on the terms and conditions set out in the Explanatory Statement.”*

### Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of any person who participated in the issue of the First Placement Shares or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 6.

---

## 7. RESOLUTION 7 – RATIFICATION OF SECOND PLACEMENT

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 13,333,333 fully paid ordinary shares (**Second Placement Shares**) to institutional, sophisticated, and professional investors on the terms and conditions set out in the Explanatory Statement.”*

### Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of any person who participated in the issue of the Second Placement Shares or any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 7.

---

## **8. RESOLUTION 8 – ISSUE OF 41,000,000 ORDINARY SHARES**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the issue of 41,000,000 fully paid ordinary shares (**Conditional Placement Shares**) in the Company at the price of \$0.15 per Share on the terms and conditions set out in the Explanatory Statement.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary shares in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairman to vote on the resolution as the chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and



- the holder votes on the resolution in accordance with direction given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available proxies **IN FAVOUR** of Resolution 8.

**DATED: 9 JULY 2021**

**BY ORDER OF THE BOARD**

**BOB HAIR  
COMPANY SECRETARY**

---

## EXPLANATORY STATEMENT

---

### 1 INTRODUCTION

---

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 11:00am (AEST) on 10 August 2021.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders.

Capitalised terms used in the Explanatory Statement are defined in Schedule 1 (Definitions).

This meeting is convened at the request of shareholders holding, in aggregate, at least 5% of the votes that may be cast at a general meeting of the Company. Details of these shareholder requests are set out below.

### 2 ACTION TO BE TAKEN BY SHAREHOLDERS

---

Shareholders should read the Notice of Meeting including the Explanatory Statement carefully before deciding how to vote on the resolutions.

#### 2.1 Voting by proxy

The Meeting will be conducted virtually and all voting will be by proxy. Shareholders are urged to vote by proxy and must ensure that their proxies are received by the company no later than 11:00am (AEST) on 8 August 2021.

Voting on the resolutions at the Meeting will be conducted by poll. Further details of the poll will be provided at the Meeting.

#### 2.2 Proxies

##### (a) Voting by proxy

To vote via proxy, either

(i) vote online at <https://investorcentre.linkmarketservices.com.au/Login/Login>,

or please complete and sign the Proxy Form enclosed and either:

(ii) deliver the Proxy Form by post to Link Market Services Limited at Locked Mail Bag A14, Sydney South New South Wales 1235, Australia; or

(iii) fax the form to Link Market Services Limited on facsimile number +61 2 9287 0309,

so that it is received not later than 11.00am (AEST) on 1 August 2021. Proxy Forms received later than this time will be invalid.

Please note that:

(i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;

(ii) a proxy need not be a member of the Company; and

(iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

(b) Further details are set out in the Proxy Form itself.

### 2.3 Virtual participation

In accordance with Rule 13.7 of the Company's Constitution,

Shareholders who wish to participate in the Meeting online may do so:

- (a) from their computer, by entering the URL in their browser: <https://agmlive.link/CAP2021>; or
- (b) from their mobile device by entering wither the URL, <https://agmlive.link/CAP2021>, in their browser

If you choose to participate in the Meeting online, you can log in to the Meeting by entering:

- (c) your user name is your Link Market internal reference number, which is located on your Proxy Form; and
- (d) your password, which is the postcode registered to your holding if you are an Australian Shareholder. Overseas Shareholders will need to enter their country of their registered holding address.

### 2.4 Enquiries

Shareholders are invited to contact the Company Secretary, Bob Hair on +61(7) 3220 2022 if they have any queries in respect of the matters set out in these documents.

## 3 RESOLUTION 1 – CHANGE OF COMPANY NAME

---

### 3.1 Background

As a result of the Company's focus on the Hawsons Iron Project and advancing that project to its development, the Directors have resolved to change the Company's name to Hawsons Iron Limited.

### 3.2 Details

Resolution 1 seeks Shareholder approval for the change of name in accordance with section 157 of the Corporations Act. It is a special resolution and requires approval of 75% of the votes cast on the resolution.

**The Directors recommend that Shareholders vote IN FAVOUR of Resolution 1.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 1.**

## 4 RESOLUTION 2 - APPROVAL OF HAWSONS IRON OPTION PLAN

---

### 4.1 Background

The Company has established an employee option plan, the material terms of which are set out below (**Option Plan**).

Resolution 2 is a resolution that seeks shareholder approval in accordance with ASX Listing Rule 7.2 (Exception 13(b)) for the Company to issue securities under the Option Plan without prior shareholder approval, and in reliance on the exception to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 places certain restrictions on the extent to which a listed company may issue certain securities, including options. The effect is that Shareholder approval is required before the Company may issue certain securities representing more than 15% of its issued capital in any 12-month period. However, certain issues are exempt from the restrictions of ASX Listing Rule 7.1 and are effectively disregarded for the purposes of determining the number of securities that a company may issue within a 12-month period.

Exempt issues include an issue of securities to persons participating in an employee incentive scheme

(including the Option Plan) where Shareholders have approved the issue of securities under the scheme as an exemption from ASX Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of issue, where the notice of meeting contains, or is accompanied by, certain prescribed information (set out below) (Exception 13(b) of ASX Listing Rule 7.2).

In order to take advantage of the exemption from ASX Listing Rule 7.1, and allow the Company flexibility to issue securities, Shareholders are requested to approve the issue of securities under the Option Plan as an exemption from ASX Listing Rule 7.1. This approval will be effective for a period of 3 years from the date of the Resolution.

It should be noted that Resolution 2 does not approve the issue of any securities to any director of the Company. Securities cannot be issued or granted to directors of the Company or their associates unless prior approval of Shareholders is obtained in accordance with the ASX Listing Rules.

Please note that the Company will take reasonable steps to ensure that the number of Shares the subject of Employee Options, when aggregated with any Shares the subject of offers or invitations under any employee share or option plans and any Shares issued or Options granted during the previous 3 years pursuant to any employee incentive scheme, does not exceed 5% of the total number of Shares on issue at the time of the relevant offer (in accordance with the terms of the Option Plan).

## **4.2 Summary of the Option Plan**

The main purpose of the Option Plan is to provide an additional incentive to Eligible Persons (being directors and other officers, employees, contractors and consultants of the Company and its subsidiaries) to provide dedicated and ongoing commitment and effort to the Company and to reward its directors and other officers, employees, contractors and consultants for their efforts.

If Employee Options are exercised, this will have the effect of increasing the Company's cash position by the amount of the exercise price multiplied by the number of Employee Options exercised. It will also increase the number of Shares that are on issue by the number of Employee Options exercised.

Shares issued pursuant to the exercise of the Employee Options will rank *pari passu* in all respects with the Company's existing Shares.

Employee Options will not be listed for quotation on ASX. However, the Company will make application for the official quotation of Shares issued on the exercise of Employee Options to ASX.

In accordance with ASX Listing Rule 7.2, Shareholders are provided with the following information.

A summary of the significant terms of the Option Plan follows:

- (a) The Board (taking into account the recommendations of the Board committee administering the Option Plan) will determine participation in the Option Plan, having regard to factors such as seniority, length of service, record of employment, achievement and potential contribution. Such participation (by way of an issue of an invitation inviting an application for Employee Options) may be subject to the satisfaction of corporate or personal goals as well as defined corporate goals.
- (b) Once an offer of options is accepted, the Company will grant the number of Employee Options applied for, which may be subject to vesting conditions.
- (c) Each Employee Option entitles the option holder, on exercise, to one Share.
- (d) There is no issue price for the Employee Options. The exercise price for the Employee Options will, unless so required by a relevant employment contract or as otherwise approved by shareholders, be such price as determined by the Board (in its discretion), being not less than:
  - (i) (if there was at least one transaction in the Shares on ASX during the 10 Trading Day period immediately before the date of the invitation to take up Employee Options) the VWAP determination for that period;

- (ii) (if there were no transactions in the Shares on ASX during the 10 Trading Day period immediately before the date of the invitation to take up Employee Options) the last price at which an offer was made on ASX to purchase a Share.
- (e) The expiry date for an Employee Option is the date determined by the Board at the time of issue, which will be not later than 10 years from the date of issue.
- (f) Shares issued as a result of the exercise of any Employee Options will rank equally in all respects with Shares.
- (g) Employee Options may not be transferred other than with the prior written approval of the Board. Quotation of Employee Options on the ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of Employee Options.
- (h) An Employee Option may only be exercised by written notice to the Company together with payment in full (unless other arrangements have been approved by the Board). An Employee Option may be exercised at any time after that Option has vested and any conditions imposed by the Board on exercise have been satisfied and before it lapses. The Board may determine the vesting period and any condition on exercise (if any). An Employee Option will lapse upon the expiry date (being 10 years from the grant date or such shorter period specified by the Board) or one month after the holder ceases to be an Eligible Person (though if the holder ceases to be an Eligible Person by reason of retirement or retrenchment, bankruptcy or death, not until 12 months after such event). The Board has a discretion to vary these dates in exceptional circumstances or because of the significant contributions of the relevant individual to the Company. Furthermore, where a participant leaves the Company after Employee Options have vested, the participant will have 12 months after leaving the Company to exercise the options. Takeover bids trigger vesting rights.
- (i) There are no participating rights or entitlements inherent in the Employee Options, and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Employee Options. However, the Company will ensure that Option holders will be given notice in accordance with the ASX Listing Rules to determine whether to exercise their Employee Options so as to participate in any bonus or entitlement issue.
- (j) In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiration of any Employee Options, the number of Employee Options to which each Option holder is entitled or the exercise price of his or her Employee Options, or both, or any terms will be reconstructed in a manner determined by the Board, which complies with the requirements of the ASX Listing Rules.
- (k) The Board committee will administer the plan, taking into account the recommendations of a Board committee, and has general power to amend the Plan Rules from time to time.

Although directors are eligible to be offered Employee Options under the Option Plan, this first requires specific Shareholder approval due to the requirements of the ASX Listing Rules and the Corporations Act. No Employee Options have been granted under the Plan.

Subject to the approval of Resolutions 2, 3, 4 and 5, it is planned to issue a total of 26,975,000 to Directors and executives of the Company in August 2021. Following the relinquishment or lapse of a number of existing options, the total number of current options will then be 32,675,000.

**The Directors UNANIMOUSLY recommend that Shareholders vote IN FAVOUR of Resolution 2.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 2.**

**If you appoint the Chairman as your proxy, and you check the box consenting to the Chairman voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair to vote in favour of Resolution 2.**

## 5 RESOLUTION 3 – APPROVAL OF GRANT OF OPTIONS TO MR BRYAN GRANZIEN

---

### 5.1 Background

If the Option Plan is approved by shareholders, the Company proposes to grant 2,000,000 options to acquire ordinary shares (**Employment Options**) under the Option Plan to Mr. Bryan Granzien, the Executive Chairman of the Company. The grant of these options was a term of his employment contract with the Company, dated 12 April 2021. The Company's share price on that day was \$0.038.

It is also proposed to grant an additional 6,000,000 options to acquire ordinary shares to Mr. Granzien under the Option Plan (**Additional Options**). The Employment Options and the Additional Options are together in this section 5 referred to as **Options**.

The proposed grant of Options to Mr Granzien is intended to:

- (a) provide an appropriate and adequate incentive for Mr Granzien;
- (b) ensure that the Company may retain his services; and
- (c) reinforce the commitment of Mr Granzien to the Company.

The number of Options proposed to be granted to Mr Granzien reflects the level of commitment provided or to be provided by Mr Granzien to the Company, taking into account the responsibilities and time commitments required of him. The number of Options proposed to be granted to Mr Granzien also reflects the value the Board feels that he brings to the enhancement of the Company and the level of commitment required by the Company from him.

The principal terms of the options to be granted to Mr Granzien are as follows:

- (a) There is no issue price for the Options.
- (b) The exercise price of the Employment Options and the conditions to which they are subject are set out in Annexure 1.
- (c) The exercise price of the Additional Options and the conditions to which they are subject are set out in Annexure 2.
- (d) The Options will expire on the date that is five years from their date of grant.

The Options will not be quoted on ASX.

Subject to approval of shareholders of the Company of this Resolution 3 and of Resolution 2, the Options proposed to be granted to Mr Granzien will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by ASX waiver, or the ASX Listing Rules).

### 5.2 Regulatory Considerations

ASX Listing Rule 10.14 provides that a company must not permit a Director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities. Once approval is obtained pursuant to ASX Listing Rule 10.14, the Company is entitled to rely on ASX Listing Rule 10.12, Exception 8 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11.

Subject to determination by the Board, each Director is entitled to participate in the Option Plan. The Board has determined that Mr Granzien will be offered Options, subject to shareholder approval.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit (which includes the grant of Options) to a related party (which includes a director and former director) of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained for the giving of the financial benefit.

For the purposes of Chapter 2E, Mr Granzien is a related party of the Company and the grant of Options to Mr Granzien constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

### **Information Required by ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act**

ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act requires that certain information be provided to Shareholders for the purpose of obtaining Shareholder approval under ASX Listing Rule 10.11 and section 208 of the Corporations Act. This information is as follows:

The person participating in the Option Plan for the purpose of Resolution 3 is a Director of the Company. Subject to determination by the Board, each Director is entitled to participate in the Option Plan.

Approval is sought for the grant of the following Options as contained in the table below (and further detailed in Annexure 1):

#### **Employment Options Tranche A**

**Number of Options to be Issued** 1,000,000 options over ordinary shares

**Vesting Date** Refer to Annexure 1 Part A for Option vesting conditions

**Option Issue Price** Nil

**Exercise Price** \$0.05 per Option, based upon the following considerations::

- (i) Assumed share price at grant date of \$0.038
- (ii) Underlying share price volatility of 84%
- (iii) Risk free interest rate of .871%

Based on the above assumptions the implied "value" to be received by Mr Granzien is \$117,000.

**Expiry Date** 5 years from the date of grant of the Options

#### **Employment Options Tranche B**

**Number of Options to be Issued** 1,000,000 options over ordinary shares

**Vesting Date** Refer to Annexure 1 Part B for Option vesting conditions

**Option Issue Price** Nil

**Exercise Price** \$0.06 per Option, based upon the following considerations:

- (i) Assumed share price at grant date of \$0.038
- (ii) Underlying share price volatility of 84%
- (iii) Risk free interest rate of .871.

Based on the above assumptions the implied “value” to be received by Mr Granzien is \$114,000.

**Expiry Date** 5 years from the date of grant of the Options

**Additional Options**

**Number of Options to be Issued** 6,000,000 options over ordinary shares in three tranches of 2,000,000 each (**Tranches 2-4**)

**Vesting Date** Refer to Annexure 2 for Option vesting conditions

**Option Issue Price** Nil

**Exercise Price for Tranche 2** \$0.25 per Option, based upon the following considerations:

- (i) Assumed share price at grant date of \$0.185
- (ii) Underlying share price volatility of 88%
- (iii) Risk free interest rate of .871%

Based on the above assumptions the implied “value” to be received by Mr Granzien is \$178,000.

**Exercise Price for Tranche 3** \$0.35 per Option, based upon the following considerations:

- (i) Assumed share price at grant date of \$0.185
- (ii) Underlying share price volatility of 88%
- (iii) Risk free interest rate of .871%

Based on the above assumptions the implied “value” to be received by Mr Granzien is \$160,000



**Exercise Price for Tranche 4**            \$0.50 per Option, based upon the following considerations:

- (i)            Assumed share price at grant date of \$0.185
- (ii)           Underlying share price volatility of 88%
- (iii)           Risk free interest rate of .871%

Based on the above assumptions the implied “value” to be received by Mr Granzien is \$142,000

**Expiry Date for all Options**            5 years from the date of grant of the Options

Issue of Options is contingent upon this approval. Subject to approval of shareholders of the Company the Options proposed to be granted to Mr Granzien will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by the ASX Listing Rules).

A voting exclusion statement in respect of Resolution 3 is contained in the Notice of Meeting.

There is no intention for the Company to grant a loan in relation to the Options or acquisition of shares under the Options.

The persons entitled to participate in the Option Plan are Directors and other officers, employees, contractors and consultants of the Company or its subsidiaries. No-one has been issued any securities under the Company’s Option Plan.

Details of any securities issued under the Options Plan will be published in the Company’s annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14. Any additional persons covered by listing rule 10.14 who became entitled to participate in an issue of securities under the Option Plan after this resolution is approved and who were not named in this notice of meeting will not participate until approval is obtained under that rule if so required.

Further information about the Option issue follows:

- (a)        Mr Granzien is a related party of the Company to whom a financial benefit would be given;
- (b)        the nature of the financial benefit to be given to Mr Granzien is the grant of 8,000,000 Options;
- (c)        it is proposed that the Options will be issued to Mr Granzien one month after the Meeting;
- (d)        the Options will be granted to Mr Granzien for no cash consideration;
- (e)        as at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	12,600,000

If Shareholders approve Resolution 3 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	32,675,000

If the private placements and entitlements issue announced on 6 July 2021 are carried out in full and Shareholders approve Resolution 3 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	713,051,149
Options	32,675,000

- (f) as at the date of this Notice, Mr Granzien holds no securities in the Company;
- (g) If Shareholders approve Resolution 3 contained in this Notice and all Options are granted as contemplated by this Notice, Mr Granzien will hold 1.58% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares currently on issue or 1.073% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares that will be on issue if the private placements and entitlements issue announced on 6 July 2021 are carried out in full;
- (h) Mr Granzien's annual remuneration is \$250,000 plus superannuation at the higher of 9.5% and the statutory requirement;
- (i) the primary purpose of the grant of the Options to Mr Granzien is to provide to him an incentive. Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone to the Company in granting the Options proposed by Resolution 3.
- (j) the issue of securities to Mr Granzien is a more cost-effective incentive for the Company as opposed to the payment of cash compensation;
- (k) Mr Granzien has a material personal interest in the outcome of Resolution 3, as the recipient of the Options proposed to be granted;
- (l) Mr Granzien does not wish to make a recommendation to Shareholders about Resolution 3 because he has a material personal interest in the outcome of this resolution;
- (m) additional information on the Option Plan is set out in the information about Resolution 2 in this Explanatory Statement. Shareholders should read the Explanatory Statement in its entirety before making a decision on how to vote on Resolution 3;

- (n) the Company will incur no liabilities or costs in respect of the proposed grant of the Options to Mr Granzien other than:
  - (i) the fees payable to ASX for quotation of the Shares issued as a result of the exercise of the Options, if and when they are issued to Mr Granzien and quoted. At the rates applying at the date of this notice, these fees would be approximately \$10,000.00 and
  - (ii) the cost of the Options will be expensed through the Company's income statement in accordance with AASB2 Share Based Payments.
- (o) neither the Board nor the Company is aware of any other information that would reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolution 3, other than as stated in this Explanatory Statement.

**The Directors (other than Mr Granzien who abstains from making any recommendation in relation to the resolution) recommend that Shareholders vote IN FAVOUR of Resolution 3.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 3.**

## **6 RESOLUTION 4 – APPROVAL OF GRANT OF OPTIONS TO MR PAUL CHOLAKOS**

---

### **6.1 Background**

If the Option Plan is approved by shareholders, the Company proposes to grant 5,000,000 options to acquire ordinary shares (**Options**) to Mr. Paul Cholakos, a Non-executive Director of the Company.

The proposed grant of Options to Mr Cholakos is intended to:

- (a) provide an appropriate and adequate incentive for Mr Cholakos;
- (b) ensure that the Company may retain his services; and
- (c) reinforce the commitment of Mr Cholakos to the Company.

The number of Options proposed to be granted to Mr Cholakos reflects the level of commitment provided or to be provided by Mr Cholakos to the Company, taking into account the responsibilities and time commitments required of him. The number of Options proposed to be granted to Mr Cholakos also reflects the value the Board feels that he brings to the enhancement of the Company and the level of commitment required by the Company from him.

If Resolution 2 and this Resolution 4 are approved, Mr Cholakos will before the grant of these Options relinquish or cause to be relinquished all existing options to acquire ordinary shares that have been granted by the Company to him or his associate.

The principal terms of the options to be granted to Mr Cholakos are as follows:

- (a) There is no issue price for the Options.
- (b) The exercise price of the Options and the conditions to which they are subject are set out in Annexure 2.
- (c) The Options will expire on the date that is five years from their date of grant.

The Options will not be quoted on ASX.

Subject to approval of shareholders of the Company of this Resolution 4 and of Resolution 2, the Options proposed to be granted to Mr Cholakos will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by ASX waiver, or the ASX Listing Rules).

### **6.2 Regulatory Considerations**

ASX Listing Rule 10.14 provides that a company must not permit a Director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities. Once

approval is obtained pursuant to ASX Listing Rule 10.14, the Company is entitled to rely on ASX Listing Rule 10.12, Exception 8 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11.

Subject to determination by the Board, each Director is entitled to participate in the Option Plan. The Board has determined that Mr Cholakos will be offered Options, subject to shareholder approval.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit (which includes the grant of Options) to a related party (which includes a director and former director) of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions;  
or
- (b) prior Shareholder approval is obtained for the giving of the financial benefit.

For the purposes of Chapter 2E, Mr Cholakos is a related party of the Company and the grant of Options to Mr Cholakos constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

### **Information Required by ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act**

ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act requires that certain information be provided to Shareholders for the purpose of obtaining Shareholder approval under ASX Listing Rule 10.11 and section 208 of the Corporations Act. This information is as follows:

The person participating in the Option Plan for the purpose of Resolution 4 is a Director of the Company. Subject to determination by the Board, each Director is entitled to participate in the Option Plan.

Approval is sought for the grant of the following Options as contained in the table below (and further detailed in Annexure 2):

Options proposed to be granted to Mr Cholakos will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by ASX waiver, or the ASX Listing Rules).

Approval is sought for the grant of the following Options as contained in the table below (and further detailed in Annexure 2):

<b>Number of Options to be Issued</b>	5,000,000 options over ordinary shares in four tranches, with Tranches 1 to 3 being 1,000,000 Options each and Tranche 4 being 2,000,000 Options.
<b>Vesting Date</b>	Refer to Annexure 2 for Option vesting conditions
<b>Option Issue Price</b>	Nil
<b>Exercise Price for Tranche 1</b>	\$0.15 per Option, based upon the following considerations: (i) Assumed share price at grant date of \$0.185 (ii) Underlying share price volatility of 88% (iii) Risk free interest rate of .871%

Based on the above assumptions the implied "value" to be received by Mr Cholakos is \$100,000.

**Exercise Price for Tranche 2** \$0.25 per Option, based upon the following considerations:  
\$0.185 (i) Assumed share price at grant date of  
(ii) Underlying share price volatility of 88%  
(iii) Risk free interest rate of .871%

Based on the above assumptions the implied "value" to be received by Mr Cholakos is \$89,000.

**Exercise Price for Tranche 3** \$0.35 per Option, based upon the following considerations:  
\$0.185 (i) Assumed share price at grant date of  
(ii) Underlying share price volatility of 88%  
(iii) Risk free interest rate of .871%

Based on the above assumptions the implied "value" to be received by Mr Cholakos is \$80,000.

**Exercise Price for Tranche 4** \$0.50 per Option, based upon the following considerations:  
\$0.185 (i) Assumed share price at grant date of  
(ii) Underlying share price volatility of 88%  
(iii) Risk free interest rate of .871%

Based on the above assumptions the implied "value" to be received by Mr Cholakos is \$142,000.

**Expiry Date** 5 years from the date of grant of the Options

Issue of Options is contingent upon this approval. Subject to approval of shareholders of the Company the Options proposed to be granted to Mr Cholakos will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by the ASX Listing Rules).

A voting exclusion statement in respect of Resolution 4 is contained in the Notice of Meeting.

There is no intention for the Company to grant a loan in relation to the Options or acquisition of shares under the Options.

The persons entitled to participate in the Option Plan are Directors and other officers, employees, contractors and consultants of the Company or its subsidiaries. No-one has been issued any securities under the Company's Option Plan.

Details of any securities issued under the Option Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14. Any additional persons covered by listing rule 10.14 who became entitled to participate in an issue of securities under the Option Plan after this resolution is approved and who were not named in this notice of meeting will not participate until approval is obtained under that rule if so required.

Further information about the Option issue follows:

- (a) Mr Cholakos is a related party of the Company to whom a financial benefit would be given;
- (b) the nature of the financial benefit to be given to Mr Cholakos is the grant of 5,000,000 Options;
- (c) it is proposed that the Options will be issued to Mr Cholakos one month after the Meeting;
- (d) the Options will be granted to Mr Cholakos for no cash consideration;
- (e) as at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	12,600,000

If Shareholders approve Resolution 4 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	32,675,000

If the private placements and entitlements issue announced on 6 July 2021 are carried out in full and Shareholders approve Resolution 4 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	713,051,149
Options	32,675,000

- (f) as at the date of this Notice, Mr Cholakos holds 2,038,141 Shares and 2,200,000 options to acquire ordinary shares in the Company;
- (g) If Shareholders approve Resolution 4 contained in this Notice and all Options are granted as contemplated by this Notice, Mr Cholakos will hold 1.39% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares currently on issue or

1.076% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares that will be on issue if the private placements and entitlements issue announced on 6 July 2021 are carried out in full and assuming that Mr Cholakos exercises his entitlements in full;

- (h) Mr Cholakos's annual remuneration as a Non-executive Director is \$30,000;
- (i) the primary purpose of the grant of the Options to Mr Cholakos is to provide to him an incentive. Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone to the Company in granting the Options proposed by Resolution 4.
- (j) the issue of securities to Mr Cholakos is a more cost-effective incentive for the Company as opposed to the payment of cash compensation;
- (k) Mr Cholakos has a material personal interest in the outcome of Resolution 4, as the recipient of the Options proposed to be granted;
- (l) Mr Cholakos does not wish to make a recommendation to Shareholders about Resolution 4 because he has a material personal interest in the outcome of this resolution;
- (m) additional information on the Option Plan is set out in the information about Resolution 2 in this Explanatory Statement. Shareholders should read the Explanatory Statement in its entirety before making a decision on how to vote on Resolution 4;
- (n) the Company will incur no liabilities or costs in respect of the proposed grant of the Options to Mr Cholakos other than:
  - (i) the fees payable to ASX for quotation of the Shares issued as a result of the exercise of the Options, if and when they are issued to Mr Cholakos and quoted. At the rates applying at the date of this notice, these fees would be approximately \$5,000.00; and
  - (ii) the cost of the Options will be expensed through the Company's income statement in accordance with AASB2 Share Based Payments.
- (o) neither the Board nor the Company is aware of any other information that would reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolution 4, other than as stated in this Explanatory Statement.

**The Directors (other than Mr Cholakos who abstains from making any recommendation in relation to the resolution) recommend that Shareholders vote IN FAVOUR of Resolution 4.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 4.**

## **7 RESOLUTION 5 – APPROVAL OF GRANT OF OPTIONS TO MR JON PARKER**

---

### **7.1 Background**

If the Option Plan is approved by shareholders, the Company proposes to grant 5,000,000 options to acquire ordinary shares (**Options**) to Mr. Jon Parker, a Non-executive Director of the Company.

The proposed grant of Options to Mr Parker is intended to:

- (a) provide an appropriate and adequate incentive for Mr Parker;
- (b) ensure that the Company may retain his services; and
- (c) reinforce the commitment of Mr Parker to the Company.

The number of Options proposed to be granted to Mr Parker reflects the level of commitment provided or to be provided by Mr Parker to the Company, taking into account the responsibilities and time commitments required of him. The number of Options proposed to be granted to Mr Parker also reflects the value the Board feels that he brings to the enhancement of the Company and the level of

commitment required by the Company from him.

If Resolution 2 and this Resolution 5 are approved, Mr Parker will before the grant of these Options relinquish or cause to be relinquished all existing options to acquire ordinary shares that have been granted by the Company to him or his associate.

The principal terms of the options to be granted to Mr Parker are as follows:

- (d) There is no issue price for the Options.
- (e) The exercise price of the Options and the conditions to which they are subject are set out in Annexure 2.
- (f) The Options will expire on the date that is five years from their date of grant.

The Options will not be quoted on ASX.

Subject to approval of shareholders of the Company of this Resolution 4 and of Resolution 2, the Options proposed to be granted to Mr Parker will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by ASX waiver, or the ASX Listing Rules).

## 6.2 Regulatory Considerations

ASX Listing Rule 10.14 provides that a company must not permit a Director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities. Once approval is obtained pursuant to ASX Listing Rule 10.14, the Company is entitled to rely on ASX Listing Rule 10.12, Exception 8 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11.

Subject to determination by the Board, each Director is entitled to participate in the Option Plan. The Board has determined that Mr Parker will be offered Options, subject to shareholder approval.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit (which includes the grant of Options) to a related party (which includes a director and former director) of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained for the giving of the financial benefit.

For the purposes of Chapter 2E, Mr Parker is a related party of the Company and the grant of Options to Mr Parker constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

### Information Required by ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act

ASX Listing Rule 10.15 and Chapter 2E of the Corporations Act requires that certain information be provided to Shareholders for the purpose of obtaining Shareholder approval under ASX Listing Rule 10.11 and section 208 of the Corporations Act. This information is as follows:

The person participating in the Option Plan for the purpose of Resolution 5 is a Director of the Company. Subject to determination by the Board, each Director is entitled to participate in the Option Plan.

Approval is sought for the grant of the following Options as contained in the table below (and further detailed in Annexure 2):

<b>Number of Options to be Issued</b>	5,000,000 options over ordinary shares in four tranches, with Tranches 1 to 3 being 1,000,000 Options each and Tranche 4 being 2,000,000 Options.
---------------------------------------	---

<b>Vesting Date</b>	Refer to Annexure 2 for Option vesting conditions
---------------------	---



<b>Option Issue Price</b>	Nil
<b>Exercise Price for Tranche 1</b>	<p>\$0.15 per Option, based upon the following considerations:</p> <ul style="list-style-type: none"> <li>(i) Assumed share price at grant date of \$0.185</li> <li>(ii) Underlying share price volatility of 88%</li> <li>(iii) Risk free interest rate of .871%</li> </ul> <p>Based on the above assumptions the implied “value” to be received by Mr Parker is \$100,000.</p>
<b>Exercise Price for Tranche 2</b>	<p>\$0.25 per Option, based upon the following considerations:</p> <ul style="list-style-type: none"> <li>(i) Assumed share price at grant date of \$0.185</li> <li>(ii) Underlying share price volatility of 88%</li> <li>(iii) Risk free interest rate of .871%</li> </ul> <p>Based on the above assumptions the implied “value” to be received by Mr Parker is \$89,000.</p>
<b>Exercise Price for Tranche 3</b>	<p>\$0.35 per Option, based upon the following considerations:</p> <ul style="list-style-type: none"> <li>(i) Assumed share price at grant date of \$0.185</li> <li>(ii) Underlying share price volatility of 88%</li> <li>(iii) Risk free interest rate of .871%</li> </ul> <p>Based on the above assumptions the implied “value” to be received by Mr Parker is \$80,000.</p>
<b>Exercise Price for Tranche 4</b>	<p>\$0.50 per Option, based upon the following considerations:</p> <ul style="list-style-type: none"> <li>(i) Assumed share price at grant date of \$0.185</li> <li>(ii) Underlying share price volatility of 88%</li> <li>(iii) Risk free interest rate of .871%</li> </ul> <p>Based on the above assumptions the implied “value” to be received by Mr Parker is \$142,000.</p>

**Expiry Date**

5 years from the date of grant of the Options

Issue of Options is contingent upon this approval. Subject to approval of shareholders of the Company the Options proposed to be granted to Mr Parker will be issued within 1 month of the date of the Extraordinary General Meeting (or such other later date as permitted by the ASX Listing Rules).

A voting exclusion statement in respect of Resolution 5 is contained in the Notice of Meeting.

There is no intention for the Company to grant a loan in relation to the Options or acquisition of shares under the Options.

The persons entitled to participate in the Option Plan are Directors and other officers, employees, contractors and consultants of the Company or its subsidiaries. No-one has been issued any securities under the Company's Option Plan.

Details of any securities issued under the Options Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14. Any additional persons covered by listing rule 10.14 who became entitled to participate in an issue of securities under the Option Plan after this resolution is approved and who were not named in this notice of meeting will not participate until approval is obtained under that rule if so required.

Further information about the Option issue follows:

- (a) Mr Parker is a related party of the Company to whom a financial benefit would be given;
- (b) the nature of the financial benefit to be given to Mr Parker is the grant of 5,000,000 Options;
- (c) it is proposed that the Options will be issued to Mr Parker one month after the Meeting;
- (d) the Options will be granted to Mr Parker for no cash consideration;
- (e) as at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	12,600,000

If Shareholders approve Resolution 5 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	475,740,645
Options	32,675,000

If the private placements and entitlements issue announced on 6 July 2021 are carried out in full and Shareholders approve Resolution 5 contained in this Notice and all Options are granted or relinquished or lapsed as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	713,051,149
Options	32,675,000

- (f) as at the date of this Notice, Mr Parker holds 2,000,000 options to acquire ordinary shares in the Company;
- (g) If Shareholders approve Resolution 5 contained in this Notice and all Options are granted as contemplated by this Notice, Mr Parker will hold 0.987% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares currently on issue or 0.67% of the issued share capital of the Company on a fully diluted basis and based on the number of Shares that will be on issue if the private placements and entitlements issue announced on 6 July 2021 are carried out in full;
- (h) Mr Parker's annual remuneration as a Non-executive Director is \$30,000;
- (i) the primary purpose of the grant of the Options to Mr Parker is to provide to him an incentive. Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone to the Company in granting the Options proposed by Resolution 5.
- (j) the issue of securities to Mr Parker is a more cost-effective incentive for the Company as opposed to the payment of cash compensation;
- (k) Mr Parker has a material personal interest in the outcome of Resolution 5, as the recipient of the Options proposed to be granted;
- (l) Mr Parker does not wish to make a recommendation to Shareholders about Resolution 5 because he has a material personal interest in the outcome of this resolution;
- (m) additional information on the Option Plan is set out in the information about Resolution 2 in this Explanatory Statement. Shareholders should read the Explanatory Statement in its entirety before making a decision on how to vote on Resolution 5;
- (n) the Company will incur no liabilities or costs in respect of the proposed grant of the Options to Mr Parker other than:
  - (i) the fees payable to ASX for quotation of the Shares issued as a result of the exercise of the Options, if and when they are issued to Mr Parker and quoted. At the rates applying at the date of this notice, these fees would be approximately \$5,000.00; and
  - (ii) the cost of the Options will be expensed through the Company's income statement in accordance with AASB2 Share Based Payments.
- (o) neither the Board nor the Company is aware of any other information that would reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolution 5, other than as stated in this Explanatory Statement.

**The Directors (other than Mr Parker who abstains from making any recommendation in relation**

**to the resolution) recommend that Shareholders vote IN FAVOUR of Resolution 5.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 5.**

## **8 RESOLUTION 6 – RATIFICATION OF FIRST PLACEMENT**

---

### **8.1 Background**

The Company on 27 April 2021 announced the successful placement of 75,808,112 new fully paid ordinary shares (the **First Placement**, and the Shares being **First Placement Shares**) to sophisticated and professional investors at a price of \$0.033 per First Placement Share, raising a total of \$2,501,668 (before costs).

Resolution 6 seeks Shareholder approval for the ratification of the issue of the First Placement Shares pursuant to ASX Listing Rule 7.4.

### **8.2 ASX Listing Rule 7.4**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 provides that, where a company in a general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

The effect of Shareholders passing Resolution 6 by ratifying the issue of the First Placement Shares will be to restore the Company's ability to issue further securities in accordance with ASX Listing Rule 7.1.

#### **Specific information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the First Placement Shares:

- (a) Number of securities issued – 75,808,112;
- (b) The price at which the securities were issued - \$0.033 per share;
- (c) Terms of the securities issued – fully paid ordinary shares in the capital of the Company and rank equally to in all respects with the Company's existing Shares on issue;
- (d) The basis on which the persons to whom the entity issued the securities was determined – issued to sophisticated and professional investors who are not related parties or associates of the Company;
- (e) The use of the funds raised – used for working capital purposes and further development of the Company's Hawsons Iron Project;
- (f) Voting exclusion statement – a voting exclusion statement for Resolution 6 is included in the Notice of Meeting accompanying the Explanatory Statement.

**The Directors recommend that Shareholders vote IN FAVOUR of Resolution 6.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 6.**

**9.1 Background**

The Company on 12 July 2021 announced the successful placement of 13,333,333 new fully paid ordinary shares (the **Second Placement**, and the Shares being **Second Placement Shares**) to sophisticated and professional investors at a price of \$0.15 per Second Placement Share, raising a total of \$2 million (before costs).

Resolution 7 seeks Shareholder approval for the ratification of the issue of the Second Placement Shares pursuant to ASX Listing Rule 7.4.

**9.2 ASX Listing Rule 7.4**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 provides that, where a company in a general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

The effect of Shareholders passing Resolution 7 by ratifying the issue of the Second Placement Shares will be to restore the Company's ability to issue further securities in accordance with ASX Listing Rule 7.1.

**Specific information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Second Placement Shares:

- (a) Number of securities issued – 13,333,333;
- (b) The price at which the securities were issued - \$0.15 per share;
- (c) Terms of the securities issued – fully paid ordinary shares in the capital of the Company and rank equally to in all respects with the Company's existing Shares on issue;
- (d) The basis on which the persons to whom the entity issued the securities was determined – issued to sophisticated and professional investors who are not related parties or associates of the Company;
- (e) The use of the funds raised – used to fund the Bankable Feasibility Study and for additional working capital;
- (f) Voting exclusion statement – a voting exclusion statement for Resolution 7 is included in the Notice of Meeting accompanying the Explanatory Statement.

**The Directors recommend that Shareholders vote IN FAVOUR of Resolution 7.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 7.**

## **10 RESOLUTION 8 – ISSUE OF 41,000,000 ORDINARY SHARES**

---

### **10.1 Background**

Resolution 8 seeks Shareholder approval for the issue of the Conditional Placement Shares, being 41,000,000 ordinary shares in the Company to sophisticated and professional investors at a price of \$0.15 per share, raising a total of \$7.65 million (before costs).

### **10.2 Specific information required by ASX Listing Rule 14.1A**

If this Resolution 8 is passed, the Company will be able to proceed with the issue of the Conditional Placement Shares. In addition, the issue of the Conditional Placement Shares will be excluded from the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If this Resolution is not passed, the Company will not proceed with the issue of the Conditional Placement Shares and will not be able to raise the additional \$7.65 million (before costs) subscribed for by subscribers for the Conditional Placement Shares.

### **10.3 Specific information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Conditional Placement Shares:

- (a) Number of securities issued – 41,000,000;
- (b) The price at which the securities were issued - \$0.15 per share;
- (c) Terms of the securities issued – fully paid ordinary shares in the capital of the Company and rank equally to in all respects with the Company's existing Shares on issue;
- (d) The basis on which the persons to whom the entity issued the securities was determined – issued to sophisticated and professional investors who are not related parties or associates of the Company;
- (e) The use of the funds raised – used to fund the Bankable Feasibility Study and for additional working capital;
- (f) Voting exclusion statement – a voting exclusion statement for Resolution 8 is included in the Notice of Meeting accompanying the Explanatory Statement.

**The Directors recommend that Shareholders vote IN FAVOUR of Resolution 8.**

**The Chairman intends to vote all available proxies IN FAVOUR of Resolution 8**

## Schedule 1 – Definitions

**AEST** means Australian Eastern Standard Time, being the time in Brisbane, Queensland.

**ASIC** mean Australian Securities & Investments Commission.

**ASX** means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors of the Company.

**Closely Related Party** has the meaning given in the Corporations Act.

**Company** means Carpentaria Resources Limited A.C.N. 095 117 981.

**Constitution** means the constitution of the Company.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** means a person who is, for the time being, a director of the Company.

**Explanatory Statement** means this explanatory statement to be read with the Notice of Meeting.

**Extraordinary General Meeting** or **Meeting** means the general meeting convened by this Notice of Meeting.

**Hawsons BFS** means the Hawsons Iron Project bankable feasibility study.

**Key Management Personnel** has the meaning given in the Corporations Act.

**Listing Rules** means the listing rules of ASX, as amended from time to time.

**Notice** or **Notice of Meeting** means this notice of meeting to be read with the Explanatory Statement.

**Option Plan** means the Hawsons Iron Option Plan, as described in section 4 above.

**Ordinary Resolution** means a resolution passed at a meeting of members by a majority of the members present and voting at the meeting.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Shareholders** means the holders of fully paid, ordinary shares in the Company.

## LODGE YOUR VOTE

 **ONLINE**  
www.linkmarketservices.com.au

 **BY MAIL**  
Carpentaria Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**  
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

## PROXY FORM

I/We being a member(s) of Carpentaria Exploration Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

**the Chairman (mark box)**

**OR** if you are **NOT** appointing the Chairman as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **11:00am (AEST) on Tuesday, 10 August 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in: Online at <https://agmlive.link/CAP2021> (refer to details in the Virtual Extraordinary General Meeting Online Guide and Notice of Meeting).


**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

#### Resolutions

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of Grant of Options to Mr Jon Parker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of Hawsons Iron Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Ratification of First Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Grant of Options to Mr Bryan Granzien	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Ratification of Second Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Grant of Options to Mr Paul Cholakos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Issue of 41,000,000 Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

CAP PRX2101N





## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman as your proxy, please write the name and email address of that individual or body corporate in Step 1. If you leave this section blank, the Chairman will be your proxy. A proxy need not be a shareholder of the Company.

### DEFAULT OF PROXIES

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman will be voted according to the instructions set out in this Proxy Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AEST) on Sunday, 8 August 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

Carpentaria Exploration Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)

## **Annexure 1 – Part A: Tranche 1 Employment Options**

All options are to have a term of five years. The terms and condition of Options are as follows:

### **(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

### **(b) Vesting and Exercise Price**

The Options will vest when the Company has secured the required funding to carry out a bankable feasibility study in respect of the Hawsons Iron Project, it being agreed that for the purposes hereof, that amount is \$31.6 million.

Each Option has an exercise price of \$0.05.

### **(c) Expiry Date**

Each of the Options expires at 5:00 pm (AEST) on the date that is 5 years from date of grant (**Expiry Date**).

### **(d) Exercise Period**

Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

### **(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

### **(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### **(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the *Corporations Act 2001* (if applicable); and
- (iii) otherwise comply with the *Corporations Act 2001* and ASX Listing Rules.

### **(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

### **(i) Transfer of Options**

Options may not be transferred other than with the prior written approval of the Company. Quotation of Options on the ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of Options.

**(j) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the *Corporations Act 2001* and the ASX Listing Rules at the time of the reconstruction.

**(k) Participation in new issues**

There are no participating rights or entitlements inherent in the Options without exercising the Options, and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that Option holders will be given notice in accordance with the ASX Listing Rules to determine whether to exercise their Options so as to participate in any bonus or entitlement issue.

**(l) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(m) Option Plan**

Options are granted subject to the rules set out in the Option Plan. Accordingly, Options lapse in the circumstances set out in Rule 9.3 of the Option Plan.

## **Annexure 1 – Part B: Tranche 2 Employment Options**

All options are to have a term of five years. The terms and condition of Options are as follows:

### **(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

### **(b) Vesting and Exercise Price**

The Options vest upon the achievement of the Performance Hurdle. For the purposes hereof, Performance Hurdle means one or more of the following:

- (i) the Company's market capitalisation reaches \$100,000,000; or
- (ii) the Company has cash or liquid assets to the value of \$100,000,000 or more.

Each Option has an exercise price of \$0.06.

### **(c) Expiry Date**

Each of the Options expires at 5:00 pm (AEST) on the date that is 5 years from date of grant (**Expiry Date**).

### **(d) Exercise Period**

Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

### **(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

### **(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### **(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the *Corporations Act 2001* (if applicable); and
- (iii) otherwise comply with the *Corporations Act 2001* and ASX Listing Rules.

### **(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

---

**(i) Transfer of Options**

Options may not be transferred other than with the prior written approval of the Company. Quotation of Options on the ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of Options.

**(j) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the *Corporations Act 2001* and the ASX Listing Rules at the time of the reconstruction.

**(k) Participation in new issues**

There are no participating rights or entitlements inherent in the Options without exercising the Options, and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that Option holders will be given notice in accordance with the ASX Listing Rules to determine whether to exercise their Options so as to participate in any bonus or entitlement issue.

**(l) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(m) Option Plan**

Options are granted subject to the rules set out in the Option Plan. Accordingly, Options lapse in the circumstances set out in Rule 9.3 of the Option Plan.

---

## **Annexure 2 – Additional Options**

All options are to have a term of five years. The terms and condition of Options are as follows:

### **(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

### **(b) Vesting and Exercise Price**

The Options vest upon the achievement of Performance Hurdles as follows:

- (i) Tranche 1 Options vest upon the Company raising the funding to carry out the Hawsons BFS (estimated to be \$35 million);
- (ii) Tranche 2 Options vest upon the completion of the Hawsons BFS;
- (iii) Tranche 3 Options vest upon the raising by the Company of the capital cost to develop the Hawsons Iron Project commercially; and
- (iv) Tranche 4 Options vest upon the commencement of commercial production at the Hawsons Iron Project.

The exercise prices of the Options are \$0.15 (Tranche 1), \$0.25 (Tranche 2), \$0.35 (Tranche 3) and \$0.50 (Tranche 4).

### **(c) Expiry Date**

Each of the Options expires at 5:00 pm (AEST) on the date that is 5 years from date of grant (**Expiry Date**).

### **(d) Exercise Period**

Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

### **(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

### **(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### **(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the *Corporations Act 2001* (if applicable); and
-

(iii) otherwise comply with the *Corporations Act 2001* and ASX Listing Rules.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

**(i) Transfer of Options**

Options may not be transferred other than with the prior written approval of the Company. Quotation of Options on the ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of Options.

**(j) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the *Corporations Act 2001* and the ASX Listing Rules at the time of the reconstruction.

**(k) Participation in new issues**

There are no participating rights or entitlements inherent in the Options without exercising the Options, and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that Option holders will be given notice in accordance with the ASX Listing Rules to determine whether to exercise their Options so as to participate in any bonus or entitlement issue.

**(l) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(m) Option Plan**

Options are granted subject to the rules set out in the Option Plan. Accordingly, Options lapse in the circumstances set out in Rule 9.3 of the Option Plan.

---

# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

---

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

**To attend and vote you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**



# Virtual Meeting Online Guide



## Step 1

Open your web browser and go to <https://agmlive.link/CAP2021> and select the relevant meeting.

## Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## 1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.

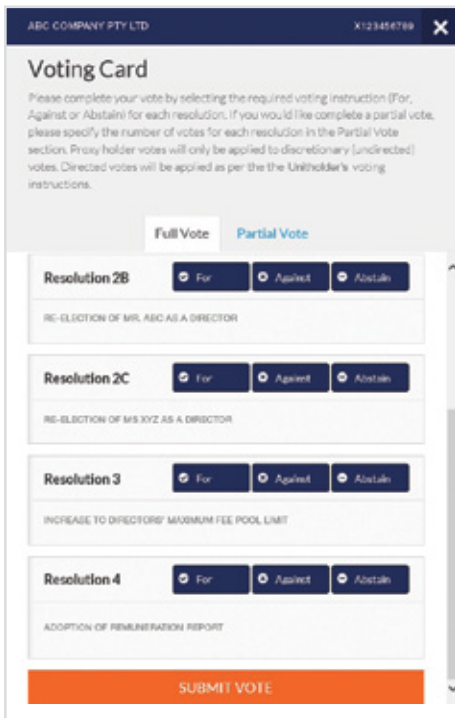
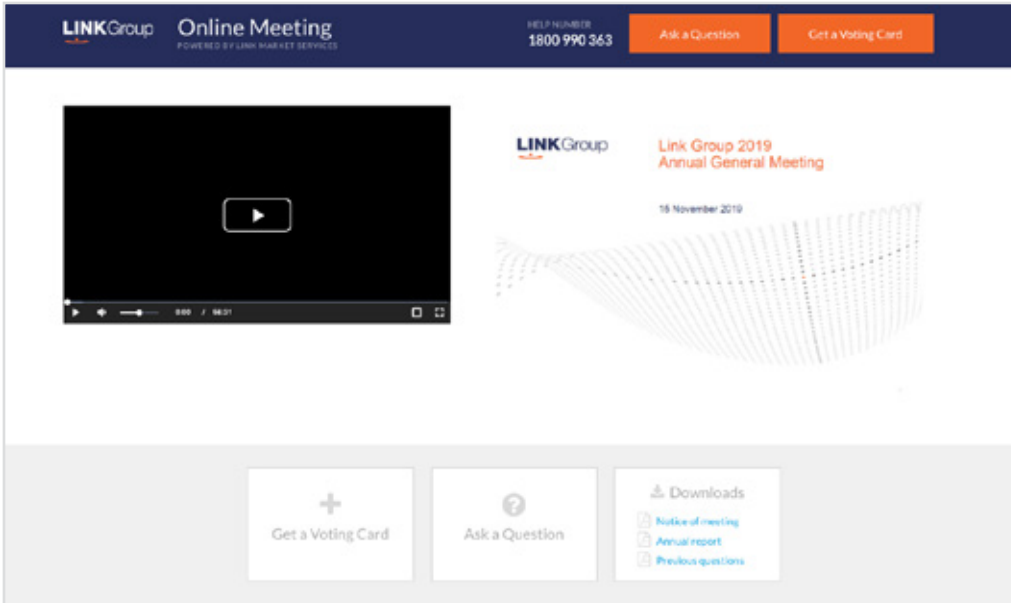
A screenshot of the "Voting Card" registration form. The form is titled "Voting Card" and includes a sub-header "Please provide your Shareholder or Proxy details". It is divided into two sections: "SHAREHOLDER DETAILS" and "PROXY DETAILS". The "SHAREHOLDER DETAILS" section has fields for "Shareholder Number" and "Post Code", with a note "Outside Australia" and an orange button "SUBMIT DETAILS AND VOTE". The "PROXY DETAILS" section has a field for "Proxy Number" and an orange button "SUBMIT DETAILS AND VOTE". A "OR" separator is located between the two sections.

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



## Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

## Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

**Note:** If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

**Note:** You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

Once voting has been closed all voting cards will automatically be submitted and cannot be changed.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

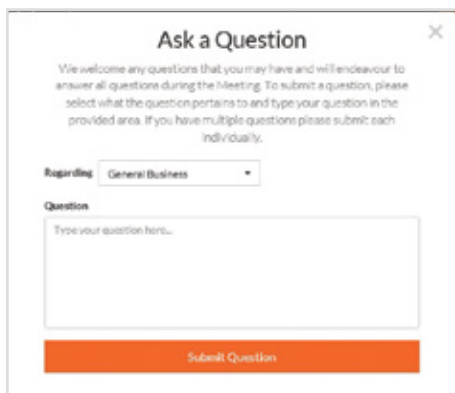
## 2. How to ask a question

**Note:** Only securityholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

---

The '**Ask a Question**' box will then pop up with two sections for completion.



The screenshot shows a modal window titled "Ask a Question" with a close button (X) in the top right corner. The text inside reads: "We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually." Below this text is a "Regarding:" section with a dropdown menu currently set to "General Business". Underneath is a "Question:" section with a text input field containing the placeholder "Type your question here...". At the bottom of the form is an orange button labeled "Submit Question".

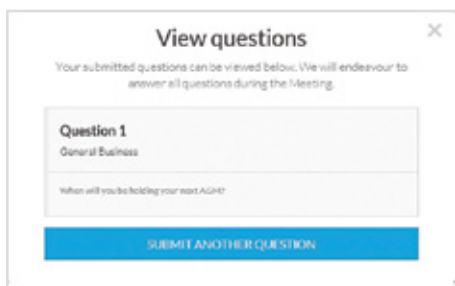
In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



The screenshot shows a modal window titled "View questions" with a close button (X) in the top right corner. The text inside reads: "Your submitted questions can be viewed below. We will endeavour to answer all questions during the Meeting." Below this text is a box labeled "Question 1" with "General Business" listed underneath. Below the question box is a text input field with the placeholder "When will you be holding your next AGM?". At the bottom of the form is a blue button labeled "SUBMIT ANOTHER QUESTION".

## 3. Downloads

View relevant documentation in the Downloads section.

---

## Voting closing

Voting will end 5 minutes after the close of the Meeting.

---

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

At the close of the meeting any votes you have placed will automatically be submitted.

## Contact us

### Australia

T 1300 554 474

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)

### New Zealand

T +64 9 375 5998

E [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)