

Holder Number:

Your proxy voting instruction must be received by **11.00am (Brisbane time) on Monday, 11<sup>th</sup> April 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise, if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

#### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)



**MAYUR RESOURCES LIMITED**  
(the "Company")  
(Incorporated in the Republic of Singapore)  
Registration No. 201114015W  
ARBN 619 770 277

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**NOTICE OF GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a General Meeting of the Company will be conducted in an on-line format on **Wednesday 13 April 2022, at 11.00 am Brisbane, Queensland time.**

Details of how to participate in the on-line meeting are set out on page 4 of this Notice of General Meeting.

The Explanatory Memorandum accompanying this Notice of General Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice. The materials for the General Meeting can be accessed at: <https://www2.asx.com.au/markets/company/mrl>.

Terms and abbreviations used in this Notice of General Meeting and the attached Explanatory Memorandum and Proxy Form are defined in the Glossary at the end of the document.

ASX takes no responsibility for the contents of this Notice.

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**BUSINESS**

**1. Approval of disposal of interest in Mayur Iron PNG Ltd with no offer to shareholders**

**Resolution 1:**

To consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

*"That, for the purpose of Listing Rule 11.4 and for all other purposes, approval is given for the spin out of the Company's interest in Mayur Iron PNG Ltd, which owns the Orokolo Bay Industrial Sands Project and other mineral sands tenures, without an offer, issue or transfer referred to in Listing Rule 11.4.1(a) being made and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of the acquirer of the asset and any other person who will obtain a material benefit as a result of the disposal (except a benefit solely by reason of being a holder in ordinary securities in the Company) or any Associates of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
  - (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
  - (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - a. 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
    - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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## 2. Approval to issue Shares to Related Party – Mr Charles Fear

### Resolution 2:

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

*“That, for the purpose of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 500,000 Shares to Mr Charles Fear (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”*

### Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Charles Fear (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associates of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - a. 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
  - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 3. Approval to issue Shares to Related Party – Mr Tim Crossley

### Resolution 3:

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

*“That, for the purpose of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 500,000 Shares to Mr Tim Crossley (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”*

### Voting Exclusion:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Tim Crossley (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associates of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - a. 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
  - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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**4. Ratification of Previous Allotment of Shares Under a Placement**

**Resolution 4:**

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

*"That for the purposes of Listing Rules 7.1 and 7.4 and for all other purposes, approval be given for the previous issue of 13,250,000 Shares at an issue price of \$0.20 per Share issued under a placement to sophisticated and individual investors as detailed in the Explanatory Memorandum."*

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved or any Associates of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:
  - a. 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
  - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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**DATED: 15 March 2022**

**By order of the Board.**



**Mr Charles Fear  
Chairman**

## **HOW DO I PARTICIPATE IN THE GENERAL MEETING?**

In light of current uncertainty and potential health risks associated with large gatherings during the COVID-19 pandemic, the General Meeting will be in an online format.

To participate in the General Meeting via on-line facility (which will be broadcast as a live webinar, facilitated by the Company's registry provider, Automic), Shareholders are required to pre-register in advance of the General Meeting at:

[https://us02web.zoom.us/webinar/register/WN\\_M-dWyr\\_WR\\_yqAGaIHGCI6Q](https://us02web.zoom.us/webinar/register/WN_M-dWyr_WR_yqAGaIHGCI6Q)

Once registered for the virtual General Meeting, a confirmation email will be sent containing information on how to attend on the day of the Meeting. Shareholders will be able to vote (see the "Voting virtually at the General Meeting" section of this Notice of Meeting below) and ask questions at the Meeting.

Shareholders who are unable to, or who do not wish to, attend the General Meeting will be able to vote ahead of the General Meeting by submitting their Proxy Form. Shareholders and proxyholders will have the ability to ask questions during the General Meeting and to hear all of the discussion, subject to connectivity of their device.

Shareholders are also encouraged to submit questions in advance of the General Meeting to the Company.

Questions must be submitted in writing to the Company Secretary at [Kerry.parker@mayurresources.com](mailto:Kerry.parker@mayurresources.com) by or before 11.00 am (Brisbane, Queensland Time) on Monday 11 April 2022.

## **VOTING VIRTUALLY AT THE General Meeting**

Shareholders who wish to vote virtually on the day of the General Meeting will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their username and password. Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the General Meeting to avoid any delays on the day of the General Meeting.

## **HOW DO I CREATE AN ACCOUNT WITH AUTOMIC?**

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au/#/home>), click on 'register' and follow the steps. Shareholders will require their holder number Securityholder Reference Number (SRN) or Holder Identification Number (HIN) to create an account with Automic.

## **I HAVE AN ACCOUNT WITH AUTOMIC, WHAT ARE THE NEXT STEPS?**

Shareholders who have an existing account with Automic (Note: with a username and password) are advised to take the following steps to attend and vote virtually on the day of the General Meeting:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your username and password.
2. Registration on the day: If registration for the virtual meeting is open (this will open 30 minutes before the start of the General Meeting), click on 'GM open for registration' and follow the steps.
3. Live voting on the day: If live voting for the virtual meeting is open, click on 'GM open for voting' and follow the steps.

For further information on the live voting process please see the Registration and Voting Guide at

<https://www.automicgroup.com.au/virtual-agms/>.

## **VOTING BY PROXY**

A Proxy Form accompanies this Notice of Meeting and to be effective must be received at least 48 hours before the appointed time of the General Meeting at the Company's corporate registry:

**Online:** <https://investor.automic.com.au/#/loginsah>

**By Post:** C/- Automic Group, GPO Box 5193, Sydney NSW 2001

**By Hand:** Automic Group, Level 5, 126 Philip Street Sydney NSW 2000

**By Email:** [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

***Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Company Secretary on +61 (0) 7 3157 4400.***

## Explanatory Memorandum

### 1. Introduction

This section is included in, and forms part of the Notice of General Meeting dated 15 March 2022 and should be read together with the Notice of General Meeting.

This Explanatory Memorandum contains an explanation of, and information on, the Resolutions to be put to Shareholders and considered at the General Meeting set out in the accompanying Notice of General Meeting to assist Shareholders on their decision on how they wish to vote on the Resolutions.

Shareholders should read this Explanatory Memorandum in full together with the accompanying Notice of General Meeting.

If you are in doubt about the action you should or should not take in relation to the Resolution, you should consult your financial or other professional adviser.

Words and expressions used in the Notice of General Meeting and in this Explanatory Memorandum are defined in the Glossary.

Unless otherwise stated, all currency amounts outlined in this Notice of General Meeting are expressed in Australian Dollars.

### 2. Background to Resolution 1

The Company wishes to spin out its iron and industrial sands assets, including the Orokolo Bay Industrial Sands Project, held by Mayur Iron PNG Ltd (**Mayur Iron PNG**) and indirectly by Mayur Iron PNG Pte Ltd (**MIPP**).

To achieve the spin out, the Company intends to undertake a simple corporate restructure by transferring the Company's direct ownership of Ortus Resources Limited (**Ortus Resources**), a wholly owned subsidiary of the Company incorporated for the purposes of the spin out, to MIPP, so that Ortus Resources will become a wholly owned subsidiary of MIPP, and MIPP, in turn, will remain a wholly owned subsidiary of the Company, and following the transfer of Ortus Resources to MIPP, the Company intends for Ortus Resources to undertake an Initial Public Offering (**IPO**) and the admission of Ortus Resources to the Official List of the ASX, which will include Mayur Iron PNG and the Orokolo Bay Industrial Sands Project and other projects (**Spin Out**).

As a result, the Company will retain MIPP, which will remain a shareholder of Ortus Resources, with the intention that following the Spin Out the Company would retain an interest in Ortus Resources ranging between 40% and 48% based on the minimum and maximum share subscriptions detailed in Section 3.8 below.

The Company has determined that the assets held by Mayur Iron PNG constitutes a major asset of the Company and, as such, the Company requires approval under Listing Rule 11.4 for the Spin Out.

### 3. Resolution 1 – Approval of sale of Interest in the Orokolo Bay Industrial Sands Project with no offer to Shareholders

#### 3.1 General

As detailed in Section 2 above, the Company intends to dispose of Mayur Iron PNG, including the Orokolo Bay Industrial Sands Project, by way of an IPO of Ortus Resources. Ortus Resources intends to undertake the IPO prior to 31 July 2022 (date subject to change).

Resolution 1 seeks Shareholder approval for the potential spin out of Mayur Iron PNG (including the Orokolo Bay Industrial Sands Project) in accordance with the Spin Out on the basis that for the purposes of ASX Listing Rule 11.4(a) it will constitute the disposal of a "major asset".

The information required by ASX Guidance Note 13 "Spin-outs of Major Assets" to be provided to Shareholders in relation to Resolution 1, is contained within this Explanatory Memorandum and the Notice of General Meeting.

#### 3.2 Background on Mayur Iron PNG

Mayur Iron PNG is wholly owned by MIPP, which in turn is wholly owned by the Company. Mayur Iron PNG is currently engaged in a number of projects, including the Orokolo Bay Industrial Sands Project, as part of the Gulf Project Precinct and has a number of other granted exploration leases in PNG.

#### 3.3 Material Terms and Conditions of the Spin Out

Subject to obtaining Shareholder approval as set out in Resolution 1, the Spin Out will occur in two phases:

- first, as an internal reorganization prior to the proposed IPO, the Company and MIPP will enter into a short form share sale agreement under which the Company will transfer all of its shares representing all of the issued share capital of Ortus Resources to MIPP for nominal consideration; and
- secondly, undertaking the IPO of Ortus Resources as described in Section 3.8 below.

### 3.4 Listing Rule 11.4

Under Listing Rule 11.4 and 11.4.1, a listed company can only dispose a major asset if:

- (a) the securities in the spin-out vehicle (other than those being retained by the company) are being offered, issued or transferred pro rata to the holders of the ordinary securities in the company, or in another way that, in ASX's opinion, is fair in all the circumstances; or
- (b) the company's shareholders approve the disposal without the offer, issue or transfer referred to in paragraph (a) above being made.

The Spin Out is regarded as a spin-out of a major asset for these purposes and paragraph (a) does not apply, so it is a requirement for the Spin Out to proceed that the Company's Shareholders approve the Spin Out under paragraph (b) above.

Resolution 1 seeks the required Shareholder approval to the Spin Out under and for the purposes of Listing Rule 11.4.1(b).

If Resolution 1 is passed, the Company will be able to proceed with the Spin Out and dispose of Mayur Iron PNG (including the Orokolo Bay Industrial Sands Project) and continue to review project opportunities with a view to unlocking and delivering Shareholder value and otherwise as detailed in Sections 3.9 to 3.11.

If Resolution 1 is not passed, the Company will not be able to proceed with the Spin Out, accordingly it will not dispose of Mayur Iron PNG (including the Orokolo Bay Industrial Sands Project). The Company may seek suitable other development opportunities to deliver value to the Shareholders and otherwise as set out in Section 3.13.

The Company considers that the disposal, proceeding on the basis of Listing Rule 11.4.1(b) approval, without the offer, issue or transfer referred to in Listing Rule 11.4.1(a) is in the best interests of the Company and its Shareholders because of the advantages listed in Section 3.10.

### 3.5 Major Asset and Consideration for Asset

Pursuant to Guidance Note 13, ASX will regard Mayur Iron PNG to be a major asset if its disposal will result in a decrease of 25% or more in any of the following measures:

- (a) consolidated total assets;
- (b) consolidated total equity interests;
- (c) consolidated annual revenue, or in the case of a mining exploration entity, oil and gas exploration entity or other entity that is not earning material revenue from its operations, consolidated annual expenditure;
- (d) consolidated EBITDA; or
- (e) consolidated annual profit before tax,

or if the value of the consideration to be received by Ortus Resources and its security holders for disposing of the asset exceeds 25% of its consolidated total assets.

Based on the audited consolidated financial statements of the Company as at and for the financial year ended 30 June 2021 :

- (a) Mayur Iron PNG comprised approximately 30% of the Company's consolidated total assets (an amount of \$15,359,510 of a total of \$51,143,275); and
- (b) Mayur Iron PNG comprised approximately 53% of the Company's consolidated capitalized exploration (as a part of total consolidated assets) (an amount of \$14,889,606 of a total of \$28,186,048).

Accordingly, Mayur Iron PNG is considered a major asset.

No revenue was earned by Mayur Iron PNG or the Orokolo Bay Industrial Sands Project during the financial year ended 30 June 2021 (financial year ended 30 June 2020 - \$Nil).

### 3.6 Value of Asset

The value of Mayur Iron PNG, including the Orokolo Bay Industrial Sands Project (as stated in the Company's 31 December 2021 management accounts), was \$16,289,467. This amount is based on total capitalized expenditure to date, less amounts amortised or written off in prior years.

No revenue was earned by Mayur Iron PNG or the Orokolo Bay Industrial Sands Project during the period from 1 July 2021 to 31 December 2021.

The pre-IPO value of Mayur Iron PNG and the Orokolo Bay Industrial Sands Project is assessed by the



Company as being an amount of \$41 million, based on an assessment of the detailed project financial modelling that has been completed by the Company and by Mayur Iron PNG.

### 3.7 Transaction with HBS

On 15 December 2021, Mayur announced the execution of a binding Terms Sheet Agreement (**Terms Sheet**) with leading PNG based construction and mining contractor HBS (PNG) Limited (**HBS**) for the delivery of the Orokolo Bay Industrial Sands Project.

The key terms of HBS's investment and strategic alignment are :

- (a) HBS to invest in Mayur Iron PNG via the provision of construction works, plant and equipment for the Orokolo Bay Industrial Sands Project.
- (b) HBS investment represents approximately 27% of the total capital expenditure required to bring Orokolo Bay Industrial Sands Project into full scale production.
- (c) In recognition of HBS's early investment in the Orokolo Bay Industrial Sands Project and commitment as a strategic partner, HBS is to be provided with a discounted 20% equity holding in Ortus Resources, valuing the Orokolo Bay Industrial Sands Project at approximately \$40 million.
- (d) Capital raised from the proposed IPO of Ortus Resources to be used to fund the remaining construction of Orokolo Bay Industrial Sands Project.
- (e) HBS due to commence construction works at Orokolo Bay Industrial Sands Project in March / April 2022 prior to the proposed IPO of Ortus Resources.
- (f) Remainder of construction works and contract mining by HBS to occur post completion of the IPO.
- (g) First shipment of products planned for late 2022 / early 2023.

Under the Terms Sheet, HBS will complete a staged investment into Mayur Iron PNG for 20% of the issued capital in Ortus Resources.

The HBS funded construction work is estimated to commence in March / April 2022 and includes the provision of people, plant and equipment to complete an agreed early works package. These construction works will occur prior to the proposed IPO of Ortus Resources. In the event Mayur does not progress with the development of the project, or does not complete the IPO, Mayur will cover the costs of this work.

At the date of this Notice of General Meeting, definitive transaction documents are in the process of being completed for execution, and include full details of the proposed investment amounts to be provided by HBS along with final structuring aspects of the proposed transaction.

Immediately following the IPO, HBS will additionally commit to complete further capital works and deliver a mining fleet for on-going developmental and operations of the project.

HBS, on an arm's length basis, have agreed to enter into a "Life of Project" mining services contract, which with a longer tenor, enables HBS to provide lower mining costs with more efficient amortisation of plant and equipment costs, compared to 'short dated' contract mining services arrangements.

### 3.8 Listing of Ortus Resources

At the time immediately prior to the proposed listing, Ortus Resources will be wholly-owned by Mayur and will have 223,125,000 ordinary shares on issue.<sup>1</sup>

The number of securities proposed to be issued in connection with the listing of Ortus Resources on the ASX is 105,000,000 at an issue price of \$0.20, for a minimum of \$21 million or any other amount required by ASX. The Company's Shareholders will be able to participate in this issue.

#### Minimum share subscription of \$21 million

| Fully Diluted      | Securities         | Ownership   |
|--------------------|--------------------|-------------|
| Mayur Holding      | 157,500,000        | 48.00       |
| Strategic Investor | 65,625,000         | 20.00       |
| IPO Shares         | 105,000,000        | 32.00       |
| <b>Total</b>       | <b>328,125,000</b> | <b>100%</b> |

<sup>1</sup> Under the Terms Sheet, a number of the Shares to be issued to HBS may not be issued until after the IPO.

Maximum share subscription of \$26 million

| Fully Diluted      | Securities         | Ownership   |
|--------------------|--------------------|-------------|
| Mayur Holding      | 157,500,000        | 43.83       |
| Strategic Investor | 71,875,000         | 20.00       |
| IPO Shares         | 130,000,000        | 36.17       |
| <b>Total</b>       | <b>359,375,000</b> | <b>100%</b> |

In addition to the above, Ortus Resources also intends to issue unlisted long term incentive performance rights to key executives.

The IPO and listing in respect of Ortus Resources is, subject to regulatory requirements, intended to be completed prior to 31 July 2022. **An indicative timetable (indicative only and subject to change) is set out below:**

| Event  | Date         |
|--|--------------|
| Ortus Resources lodges prospectus with ASIC                        | 9 May 2022   |
| Ortus Resources lodges listing application with ASX for new shares | 9 May 2022   |
| Offer period opens   | 23 May 2022  |
| Offer period ends, ASX listing and commencement of trading         | 20 June 2022 |

**The indication on timing is not binding and subject to change.**

**3.9 Effect of the Disposal of Interests in Mayur Iron PNG**

The pro-forma statement of financial position of the Company showing the financial effect of the disposal of Mayur Iron PNG as effected through the Spin Out on the Company is annexed as Schedule 1 as at 31 December 2021.

The disposal of Mayur Iron PNG will:

- (a) not impact the capital structure of the Company;
- (b) not have a dilutionary effect on the Shareholders;
- (c) not result in any changes to the Board or Company name; and
- (d) not result in any taxation related implications or effects for the Shareholders

Shareholders will not be impacted by the Spin Out, other than to the extent of the Company's divestment of the Company's interest in Mayur Iron PNG.

**3.10 Advantages of the Disposal of the Interest in Mayur Iron PNG**

The Company considers the Spin Out will allow the Company to:

- (a) focus its efforts on its other assets in PNG;
- (b) allow a standalone and focused company (Ortus Resources) to advance the Orokolo Bay Industrial Sands Project and other projects held by Mayur Iron PNG;
- (c) allow a "pure play" vehicle to attract appropriate funding without the need to unnecessarily dilute other projects within the Company's portfolio;
- (d) assign the liability and commitments of Mayur Iron PNG to Ortus Resources, thereby reducing the financial burden on the Company whilst still allowing the Company to maintain a material interest in the Orokolo Bay Industrial Sands Project (through a continued shareholding in Ortus Resources after the Spin Out has occurred); and
- (e) allow the Company to retain an indirect interest of between approximately 40% and 48% in Ortus Resources (based on the minimum and maximum share subscriptions detailed in Section 3.8), but ultimately, reduce its interest in Mayur Iron PNG and the Orokolo Bay Industrial Sands Project which the Company considers will become non-core to its strategic objectives going forward. However, maintaining an interest will continue to give shareholders of the Company the opportunity to participate in the growth of Mayur Iron PNG (including the Orokolo Bay Industrial Sands Project) through a separate entity that will have sufficient resources to further develop those assets and not be dependent on financing from the Company.

### **3.11 Disadvantages of the Disposal of the Interest in the Orokolo Bay Industrial Sands Project**

The Directors believe that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

- (a) although the Company may not control Mayur Iron PNG and will not be able to derive all of the future potential benefit from the development of Mayur Iron PNG's projects, including the Orokolo Bay Industrial Sands Project, without raising significant capital, which will direct capital and resources away from the development of other of the Company's projects; and
- (b) the disposal involves the Company selling a major asset which may not be consistent with the investment objectives of individual Shareholders.

### **3.12 Intention following Disposal of the interest in Mayur Iron PNG**

The Company will focus on the development of its other portfolio assets comprising cement and lime, carbon neutral building products, and a renewable energy portfolio comprising nature based forestry carbon credits, solar and geothermal, as well as reviewing any other opportunities in the resources exploration and project development space with a view to maximising Shareholder value.

### **3.13 Implications if the Disposal of the Interest in Mayur Iron PNG does not proceed**

In the event that Resolution 1 is not passed and / or for any other reason the Company does not dispose of Mayur Iron PNG as described in this Explanatory Memorandum, it will, amongst other things:

- (a) continue to maintain its interest in Mayur Iron PNG (including the Orokolo Bay Industrial Sands Project) and continue to investigate opportunities to derive value from these assets either by developing and exploring the Orokolo Bay Industrial Sands Project, disposing of all or part of Mayur Iron PNG or its interest in the Orokolo Bay Industrial Sands Project or entering into joint ventures with third parties in respect of Mayur Iron PNG/the development of the Orokolo Bay Industrial Sands Project;
- (b) continue to own Mayur Iron PNG and maintain its projects including the Orokolo Bay Industrial Sands Project and ensure compliance with all licence and regulatory requirements, whilst undertaking appropriate development activities on its projects, including the Orokolo Bay Industrial Sands Project and simultaneously managing expenditure; and
- (c) explore opportunities to raise equity capital to enable the Company to fund Mayur Iron PNG, including the ongoing Orokolo Bay Industrial Sands Project development activities and activities in respect of the Company's other assets.

### **3.14 Senior Management Changes**

There will be no changes to the Company's senior management as a result of or in connection with completion of the Spin Out. Mr Paul Mulder and Mr Hubert Namani will join the board of Ortus Resources, whilst Mr Kerry Parker will serve the duties of the role of Chief Financial Officer and Company Secretary.

### **3.15 Material Information**

Comprehensive disclosure regarding the disposal of the Orokolo Bay Industrial Sands Project is summarised in Sections 2 and 3 above, including the following:

- (a) name of the spin-out vehicle is set out in Section 2 and details of its parent company in Section 2;
- (b) how the Spin Out is to be effected (including details of consideration, securities, participation and timetable) are set out in Section 2 and Sections 3.1 through 3.8;
- (c) information regarding the asset being spun out (ie Mayur Iron PNG, including the Orokolo Bay Industrial Sands Project), including the asset description and valuations, is set out in Sections 2, 3.2, 3.3, 3.5 and 3.6;
- (d) the impact that the Spin Out will have on the Company (including financial measures) is set out in Section 3.9;
- (e) the impact of the Spin Out on Shareholders is set out in Sections 3.10 and 3.11;
- (f) the reason why the Directors consider that effecting the Spin Out without offer, issue or transfer being made is in the interest of the Company and the Shareholders is set out in Section 3.10;
- (g) the material terms of the Spin Out are set out in Section 3.3; and
- (h) a voting exclusion statement for Resolution 1 is included in this Notice.

### 3.16 Forward Looking Statements

The forward looking statements in this Explanatory Memorandum are based on the Company's current expectations in relation to future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Explanatory Memorandum. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

### 3.17 Board recommendation

The Board has approved the proposal to put Resolution 1 to a vote of the Shareholders.

**Based on the information available, all of the Directors unanimously consider that the proposed disposal of Mayur Iron PNG, under the Spin Out, is in the best interests of the Company and unanimously agree and recommend that Shareholders vote in favour of Resolution 1.**

The Directors do not have any material interest in the outcome of Resolution 1 other than as a result of their interest arising solely in the capacity as Shareholders, which details are set out in the table below:

|                         |  |
|-------------------------|--|
| <b>Charles Fear</b>     | <u>Indirect</u><br>400,000 Shares<br>1,800,000 long term incentive performance rights  |
| <b>Paul Mulder</b>      | <u>Direct</u><br>Paul Levi Mulder<br>8,599,955 Shares<br>4,500,000 long term incentive rights subject to ESOP terms and conditions (approved at the annual general meeting of the Company on 16 December 2021)<br><u>Indirect</u><br>DTJ Co Pty Ltd ACN 152 958 293 as trustee for the DTJ Family Trust – 46,303,209 Shares<br>Janelle Marie Mulder – 3,696,791 Shares   |
| <b>Timothy Crossley</b> | <u>Direct</u><br>Timothy Elgon Savile Crossley<br>7,091,748 Shares<br>4,200,000 long term incentive rights (approved at the annual general meeting of the Company on 16 December 2021)<br><u>Indirect</u><br>Timothy Crossley, Marguerite Darbshire and Julia Macdonald-Buchanan - 5,000 Shares<br>Timrach Holdings Pty Ltd as trustee for the Crossley Superannuation Fund - 1,125,000 Shares<br>Washingishu Pty Ltd as trustee for the Lessos Family Trust - 158,000 Shares<br>Rachael Anne Crossley (spouse) - 7,000 Shares |
| <b>Chris Indermaur</b>  | 1,450,000 long term incentive performance rights (unquoted)  |
| <b>Hubert Namani</b>    | NIL interests  |
| <b>Wee Choo Peng</b>    | NIL interests  |

## 4. Resolution 2 – Approval to issue Shares to Related Party – Mr Charles Fear

### 4.1 ASX Listing Rule 10.11

The Company is proposing to issue 500,000 Shares to Mr Charles Fear (or his nominee) at an issue price of \$0.20 to raise \$100,000 by virtue of Mr Charles Fear having agreed to participate in the Placement (defined in Section 6.2 below) (**Fear Issue**).

ASX Listing Rule 10.11 provides that unless an exception in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a

substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Fear Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Shareholders under Listing Rule 10.11.

Resolution 2 seeks the required Shareholder approval to the Fear Issue under and for the purposes of Listing Rule 10.11.

If Resolution 2 is passed, the Company will be able to proceed with the Fear Issue within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner set out in Section 4.2(g) below. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval pursuant to Listing Rule 7.1 is not required for the Fear Issue, which means that the Fear Issue will also not use up any of the Company's 15% annual placement capacity.

If Resolution 2 is not passed, the Company will not be able to proceed with the Fear Issue.

#### **4.2 Technical Information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Fear Issue:

- (a) 500,000 Shares will be issued to Mr Charles Fear (or his nominee);
- (b) Mr Fear is a related party of the Company by virtue of being a Director of the Company and is accordingly captured under ASX Listing Rule 10.11.1;
- (c) the maximum number of Shares to be issued to Mr Fear (or his nominee) is 500,000 Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the issue price will be \$0.20 per Share, being the same issue price as Shares issued to other participants under the Placement;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the funds raised will be used for the same purposes as all other funds raised under the Placement, as announced on 20 December 2021;
- (h) the Shares to be issued under the Fear Issue are not intended to remunerate or incentivise Mr Fear or any other Director; and
- (i) a voting exclusion statement for Resolution 2 is included in this Notice.

### **5. Resolution 3 – Approval to issue Shares to Related Party – Mr Tim Crossley**

#### **5.1 ASX Listing Rule 10.11**

The Company is proposing to issue 500,000 Shares to Mr Tim Crossley (or his nominee) at an issue price of \$0.20 to raise \$100,000 by virtue of Mr Tim Crossley having agreed to participate in the Placement (defined in Section 6.2 below) (**Crossley Issue**).

A summary of ASX Listing Rule 10.11 is set out in Section 4.1 above.

The Crossley Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Shareholders under Listing Rule 10.11.

Resolutions 3 seeks the required Shareholder approval to the Crossley Issue under and for the purposes of Listing Rule 10.11.

If Resolution 3 is passed, the Company will be able to proceed with the Crossley Issue within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner set out in Section 5.2(g)

below. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval pursuant to Listing Rule 7.1 is not required for the Crossley Issue, which means that the Crossley Issue will also not use up any of the Company's 15% annual placement capacity.

If Resolution 3 is not passed, the Company will not be able to proceed with the Crossley Issue.

## 5.2 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Crossley Issue:

- (a) 500,000 Shares will be issued to Mr Tim Crossley (or his nominee);
- (b) Mr Crossley is a related party of the Company by virtue of being a Director of the Company and is accordingly captured under ASX Listing Rule 10.11.1;
- (c) the maximum number of Shares to be issued to Mr Crossley (or his nominee) is 500,000 Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the issue price will be \$0.20 per Share, being the same issue price as Shares issued to other participants under the Placement;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) the funds raised will be used for the same purposes as all other funds raised under the Placement, as announced on 20 December 2021;
- (h) the Shares to be issued under the Crossley Issue are not intended to remunerate or incentivise Mr Crossley or any other Director; and
- (i) a voting exclusion statement for Resolution 3 is included in this Notice.

## 6. Resolution 4 – Ratification of Previous Allotment of Shares Under a Placement

### 6.1 General

Subject to specified exceptions, ASX Listing Rule 7.1 provides that a company must not, without the approval of the holders of its ordinary securities, 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 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 4 is not approved and the issue of the Shares under the Placement (defined below) is not ratified, this will reduce the Company's capacity to issue equity securities without Shareholder approval during the 12 month period following the issue of the Shares under the Placement.

### 6.2 Resolution 4 – Ratification of Previous Allotment of Shares Under a Placement

On 20 December 2021, the Company announced a placement to professional and sophisticated investors to raise an amount of \$2,650,000 (**Placement**). 13,250,000 Shares were issued under the Company's ASX Listing Rule 7.1 capacity. Resolution 4 seeks the ratification of the issue of 13,250,000 Shares issued under the Placement.

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) 13,250,000 Shares were issued on 24 December 2021;
- (b) the Shares were issued at an issue price of \$0.20 per Share to raise \$2,650,000;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued

on the same terms and conditions as the Company's existing Shares;

- (d) the Shares were issued to sophisticated investors and professional investors, none of whom were considered to be related parties of the Company; and
- (e) the funds raised from the issue will allow the Company to continue to progress its project development opportunities and for corporate and working capital purposes.

## GLOSSARY

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In this Explanatory Memorandum and the Notice of General Meeting;

**AUD, \$, AU\$** are references to the Australian Dollar;

**General Meeting** or **Meeting** means the general meeting of the Company to be convened by this Notice of General Meeting (unless the context otherwise requires);

**Associate(s)** has the meaning given in Chapter 19 of the ASX Listing Rules;

**ASX** means the Australian Securities Exchange or ASX Limited ACN 008 624 691;

**ASX Listing Rules** or **Listing Rules** means the official listing rules of the ASX;

**Board** means the board of Directors of the Company at the date of this Notice;

**Chair** means the chair of the Meeting;

**Company** or **Mayur** means Mayur Resources Limited with Singapore Registration No. (201114015W) and Australian Registration No. ARBN 619 770 277;

**Directors** means the directors of the Company being as at the date of this Notice of General Meeting;

**Explanatory Memorandum** means this explanatory memorandum that accompanies and forms part of the Notice of General Meeting;

**General Meeting** or **Meeting** means the meeting convened by the Notice;

**Notice** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Memorandum and the Proxy Form;

**Orolo Bay Industrial Sands Project** means ML541 and associated tenure located in the Gulf Province in Papua New Guinea;

**Proxy Form** means a valid proxy form accompanying the Notice;

**Resolution** means a resolution referred to in the Notice of General Meeting;

**Share** means a fully paid ordinary share in the capital of the Company; and

**Shareholder** means a registered holder of a Share.



**SCHEDULE 1 – PRO FORMA FINANCIAL STATEMENT OF COMPANY AS AT 31 DECEMBER 2021**

| <b>Mayur Resources Limited</b>  |                            |                            |                           |                            |
|---|----------------------------|----------------------------|---------------------------|----------------------------|
| <b>Pro-Forma Balance Sheet</b>  |                            |                            |                           |                            |
| <b>31 December 2021</b>   |                            |                            |                           |                            |
| <b>Based on Financial Statements for half year ended 31 December 2021 (as released to ASX on 15 March 2022)</b> |                            |                            |                           |                            |
|   | <b>Balance</b>             | <b>Spin Out Of</b>         | <b>Record Investment</b>  | <b>Pro-Forma</b>           |
|   | <b>At 31 December 2021</b> | <b>Iron Sands Business</b> | <b>In Ortus Resources</b> | <b>At 31 December 2021</b> |
| <b>ASSETS</b>   |                            |                            |                           |                            |
| <b>Current Asset</b>  |                            |                            |                           |                            |
| Cash  | 6,458,730                  | (246,399)                  |                           | 6,212,331                  |
| Prepayments   | 249,933                    |                            |                           | 249,933                    |
| GST receivable  | 139,673                    | (68,095)                   |                           | 71,578                     |
| Other assets - current  | 37,267                     | (7,858)                    |                           | 29,409                     |
|   | <b>6,885,603</b>           | <b>(322,352)</b>           | <b>0</b>                  | <b>6,563,251</b>           |
| <b>Non Current Asset</b>  |                            |                            |                           |                            |
| Investment in associated entities   | 10,231,622                 |                            | 16,194,782                | 26,426,404                 |
| Exploration and evaluation expenditure  | 30,392,244                 | (15,965,995)               |                           | 14,426,249                 |
| Property plant and equipment - at cost  | 462,962                    | (398,523)                  |                           | 64,439                     |
| Less: Accumulated depreciation  | (95,052)                   | 75,050                     |                           | (20,002)                   |
| Capitalised project expenditure   | 2,768,074                  |                            |                           | 2,768,074                  |
|   | <b>43,759,850</b>          | <b>(16,289,468)</b>        | <b>16,194,782</b>         | <b>43,665,164</b>          |
| <b>TOTAL ASSETS</b>   | <b>50,645,453</b>          | <b>(16,611,820)</b>        | <b>16,194,782</b>         | <b>50,228,415</b>          |
| <b>LIABILITIES</b>  |                            |                            |                           |                            |
| <b>Current Liabilities</b>  |                            |                            |                           |                            |
| Trade and Other Payables  | 1,462,248                  | (417,038)                  |                           | 1,045,210                  |
| Short Term Loan   | 3,000,000                  |                            |                           | 3,000,000                  |
|   | <b>4,462,248</b>           | <b>(417,038)</b>           | <b>0</b>                  | <b>4,045,210</b>           |
| <b>TOTAL LIABILITIES</b>  | <b>4,462,248</b>           | <b>(417,038)</b>           | <b>0</b>                  | <b>4,045,210</b>           |
| <b>Net Assets / (Liabilities)</b>   | <b>46,183,205</b>          | <b>(16,194,782)</b>        | <b>16,194,782</b>         | <b>46,183,205</b>          |
| <b>EQUITY</b>   |                            |                            |                           |                            |
| Share Capital   |                            |                            |                           |                            |
| Issued capital  | 59,303,246                 |                            |                           | 59,303,246                 |
| Reserves  | (17,372,133)               |                            |                           | (17,372,133)               |
| Accumulated Losses  | 4,252,092                  | (16,194,782)               | 16,194,782                | 4,252,092                  |
| <b>TOTAL EQUITY</b>   | <b>46,183,205</b>          | <b>(16,194,782)</b>        | <b>16,194,782</b>         | <b>46,183,205</b>          |