



Australian Mines Limited
ABN 68 073 914 191

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13 January 2023

Dear Shareholders

Australian Mines Limited General Meeting

The Notice of General Meeting of Australian Mines Limited (**Australian Mines** or the **Company**) to be held on 15 February 2023 at 2.00 pm Brisbane time is now available at the ASX Announcements section of <https://australianmines.com.au/our-value-proposition>.

This meeting will be held virtually to give more shareholders the opportunity to attend.

The consequences of this are as follows:

1. If you wish to attend the virtual General Meeting, please go to www.investor.automic.com.au and use the meeting ID and Shareholder identification contained in the enclosed proxy form;
2. Questions concerning the business of the meeting should be submitted to investorrelations@australianmines.com.au in advance of the meeting. There will be a facility to put questions in writing and speak during the meeting using a Q&A facility;
3. The resolution will be determined by way of a poll. The poll will be conducted based on votes submitted by proxy and by Shareholders who have indicated that they intend to vote at the Meeting. The Company's share registry will be facilitating voting during the Meeting.

Shareholders are strongly encouraged to lodge a proxy form to vote at the AGM at least 48 hours before the meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ol. Carton", written in a cursive style.

Oliver Carton
Company Secretary

AUSTRALIAN MINES LIMITED

ABN 68 073 914 191

NOTICE OF GENERAL MEETING

TIME: 2.00 pm Brisbane, QLD time

DATE: 15 February 2023 by way of live video conference

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.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00 pm Brisbane QLD Time on 15 February 2023 by way of live video conference.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are registered shareholders as at 5.00pm Brisbane QLD time on 13 February 2023.

VOTING IN PERSON

To vote in person, attend the virtual General Meeting by going to www.investor.automic.com.au and using the meeting ID and Shareholder identification contained in the enclosed proxy.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 - RATIFICATION OF ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following resolutions as **ordinary resolutions**:

- 1.1 *"That for the purposes of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue and allotment by the Company of 12,500,000 Shares to Lind Global Fund II, LP as set out in Section 1.1 of the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Securities issues, or any associates of those persons.

However, this does not apply to a vote cast in favour of a 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 Chair of the meeting 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
- 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 directions given by the beneficiary to the holder to vote in that way.

- 1.2 *"That for the purposes of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue and allotment by the Company of 12,500,000 Shares to SBC Global Investment Fund as set out in Section 1.1 of the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Securities issues, or any associates of those persons.

However, this does not apply to a vote cast in favour of a 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 Chair of the meeting 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
- 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 directions given by the beneficiary to the holder to vote in that way.

- 1.3 *"That for the purposes of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue and allotment by the Company of the Underwriter Options to Bell Potter Securities Limited as set out in Section 1.4 of the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Securities issues, or any associates of those persons.

However, this does not apply to a vote cast in favour of a 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 Chair of the meeting 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
- 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 directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 - APPROVAL OF ISSUE OF SECURITIES

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

- 2.1 *"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of Shares to Lind Global Fund II, LP as referred to in section 2 of the Explanatory Statement, and on the terms and conditions set out in the Explanatory Statement, is approved."*
- 2.2 *"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of Options to Lind Global Fund II, LP as referred to in section 2 of the Explanatory Statement, and on the terms and conditions set out in the Explanatory Statement, is approved."*

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 2.1 and 2.2 by the recipients of the securities, or any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, this does not apply to a vote cast in favour of a 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 Chair of the meeting 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
- 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

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

2.3 *"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of Shares to SBC Global Investment Fund as referred to in section 2 of the Explanatory Statement, and on the terms and conditions set out in the Explanatory Statement, is approved."*

2.4 *"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of Options to SBC Global Investment Fund as referred to in section 2 of the Explanatory Statement, and on the terms and conditions set out in the Explanatory Statement, is approved."*

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 2.3 and 2.4 by the recipients of the securities, or any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, this does not apply to a vote cast in favour of a 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 Chair of the meeting 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
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - o 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
 - o The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Capitalised terms are defined in the Explanatory Statement.

BY ORDER OF THE BOARD



**OLIVER CARTON
COMPANY SECRETARY
23 DECEMBER 2022**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution which is the subject of the business of the Meeting.

Unless stated otherwise, information concerning the number of Shares on issue, market capitalisation and Share price are as at the date of the Notice of Meeting.

1. RESOLUTION 1 - RATIFICATION OF ISSUE OF SECURITIES

1.1 Background to resolutions 1 and 2 – The Subscription Agreements

On 22 November 2022 the Company announced that it had executed agreements with Lind, and SBC for a combined investment of \$4.55 million before costs by way of the Subscription Agreements.

The \$4.55 million investment is via a pre-payment for a placement of ordinary fully paid shares and 21,186,441 unlisted 3-year options to each investor, with an exercise price of \$0.089. The issue of Options is subject to shareholder approval.

Key terms of the Subscription Agreements are:

- (a) Overview: Lind and SBC Global Investment Fund have pre-paid a total of \$4,550,000 (Advance Payment)), in return for the Options and a credit amount worth \$5,000,000 (Advance Payment Credit), which may be used to subscribe to shares during the Term (Placement Shares).
- (b) Commitment Fee paid to Lind and SBC: Fees totalling \$150,000 were paid to Lind and SBC.
- (c) Initial Shares: On receipt of the Advance Payment, the Company issued 12,500,000 shares to Lind and 12,500,000 shares to SBC (which may be applied towards satisfying the Company's subscription obligations under the Subscription Agreements). If at the expiration of the Term there are Initial Shares that have not been applied against the Advanced Payment Credit via subscription, then Lind and SBC will pay the Company for those outstanding Initial Shares based on a formula set out in the Subscription Agreement.
- (d) Options: Subject to the Company obtaining shareholder approval on or before 28 February 2023, the Company will issue to Lind and SBC Global Investment Fund 21,186,441 options each, with an exercise price of \$0.089 per share, which expire 3 years after the date of issue. If shareholder approval is not given for the issue of options by 28 February 2023 then Lind and SBC Global Investment Fund will not be required to pay for the Initial Shares.
- (e) Purchase Price of Placement Shares: Placement Shares may be issued at two different prices, being:
 - (i) \$0.089 per share (Fixed Subscription Price); or
 - (ii) 90% of the average of the five lowest daily VWAPs during the 20 days the Company's shares trade on the ASX prior to the date on which the price is to be determined, rounded down to the lowest \$0.001 (Variable Subscription Price).

- (f) Purchase of Placement Shares: Lind and SBC Global Investment Fund can subscribe for Placement Shares during the Term, subject to the following conditions:
 - (i) Until 28 February 2023, at the Fixed Subscription Price;
 - (ii) From 1 March 2023 until 21 November 2023, the Fixed Subscription Price or the Variable Subscription Price, however Lind and SBC Global Investment Fund may only subscribe for shares at the Variable Subscription Price up to a maximum amount of \$200,000 each for each calendar month during this period;
 - (iii) Following 21 November 2023 at the Fixed Subscription Price or the Variable Subscription Price, without monthly limits.
- (g) The limits in 1.1(f)(i) and (ii) above will only apply after 28 February 2023 if the Company has:
 - (i) raised at least \$2,500,000 by way of placement and / or entitlement offer, or
 - (ii) Has announced a collaboration agreement with a strategic partner that includes an unconditional funding component sufficient to take the Sconi Project to final investment decision by 28 February 2023; and receives at least A\$2,500,000 (net of fees) under that collaboration agreement or by placement and/or entitlement offer by 31 March 2023.
- (h) If for any reason during the Subscription Agreements the Company is unable to issue shares to fulfil a subscription request the Company must pay the cash amount of that request.
- (i) Unused Advance Payment Credit: The Advance Payment Credit (initially \$5,000,000) will be reduced by the value of shares subscribed for by Lind and SBC during the Term.
- (j) Term: 18 months after the Advance Payment Date, subject to Lind's and SBC's right to extend for 6 months.
- (k) Company's Option to Pay in Cash: following a subscription request by Lind or SBC, the Company has the option to pay an amount to Lind or SBC instead of issuing shares, with this amount being the amount of shares applied for multiplied by the daily VWAP on the trading day immediately prior to the subscription request.
- (l) Company Buy-Back Right: the Company may elect to repay the entire Unused Advance Payment Credit at any time with a 5% premium, by providing notice to Lind and/or SBC Global Investment Fund. If the Company does so, Lind and SBC have the right to apply to subscribe to shares to the aggregate value of one-third of the Unused Advanced Payment Credit, at either the Fixed Subscription Price or the Variable Subscription Price.
- (m) Repayment on Capital Raise: Lind and SBC may elect for the Company to direct up to 20% of the proceeds of any subsequent capital raise towards repayment of the Unused Advance Payment Credit.
- (n) Other Terms: the agreement contains customary investor protections such as negative covenants, default events and representations and warranties.
- (o) Shares Issued at Maturity: If any amount of the Advance Payment Credit is unused at the end of the Term, the Company will issue shares to Lind and SBC to the extent that no amount of the Advance Payment Credit remains unused.
- (p) Rights of Investor upon default: The agreement contains events of default considered standard for equivalent agreements. If a default event occurs that is incapable of being remedied the Investor may require the Company to repay the Unused Advance Payment Credit.
- (q) Security: There is no security provided by the Company to Lind or SBC in respect to the Subscription Agreements. No interest is payable under the Subscription Agreements.

The Initial Shares were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1. The aggregate maximum number of Initial Shares and Placement Shares that the Company may or is required to issue on one or more subscriptions under the Subscription Agreements (not including any shares the past issue of which is ratified by shareholders), without the Company first obtaining shareholder approval, is 67,727,000 securities.

The purpose of resolutions 1.1 and 1.2 is to seek ratification of the issue of the Initial Shares to reset the Company's 15% placement capacity. If resolutions 1.1 and 1.2 are not passed, ratification will not be given and the Initial Shares will continue to count against the 15% placement capacity.

The purposes of resolutions 2.1 and 2.3 are to seek approval for any issue of Shares to Lind or SBC under the Subscription Agreements for the three months from the date of this meeting.

The purposes of resolutions 2.2 and 2.4 are to seek approval to issues the Options to Lind and SBC referred to in section 1.1(d).

The balance of this section deals with resolutions 1.1 and 1.2

1.2 Terms of Securities for resolutions 1.1 and 1.2

The Securities issued were Shares ranking equally with other Shares on issue.

1.3 ASX Listing Rule requirements for Resolution 1.1 and 1.2

(a) ASX Listing Rule 7.1 and 7.4

The Board is allowed to issue or agree to issue up to 15% of its issued capital without Shareholder approval each 12 months under ASX Listing Rule 7.1.

Under Listing Rule 7.4, the Company can seek Shareholder ratification of an issue made within the limit of ASX Listing Rule 7.1, and, if given, the effect of the ratification is to deem that the securities issued were issued with Shareholder approval, meaning that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

As stated, ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under ASX Listing Rule 7.1 if:

- i. the issue of securities did not breach ASX Listing Rule 7.1; and
- ii. Shareholders subsequently approve the issue of those securities by the Company.

The securities issued did not breach ASX Listing Rule 7.1.

(b) Technical information required by ASX Listing Rule 7.4

Pursuant to, and in accordance with, ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- i. The number of securities issued was 12,500,000 each to Lind and SBC for a total of 25,000,000 securities.
- ii. the issue price of the securities is as set out in section 1.1;
- iii. the terms of the Securities are ordinary fully paid shares;
- iv. the names of the persons to whom the Company issued the Securities are Lind and SBC;
- v. the date of issue of the securities is 25 November 2022;
- vi. the funds raised from the issue of the securities under the Subscription Agreements and related Entitlement Offer referred to in this Explanatory Statement are to be used as follows
 - Exploration programs at Sconi to increase size of resource
 - Additional test work for studies and technical design to support Sconi Project Financing process
 - Environmental works and studies to support Sconi Project Financing process
 - Exploration activities to test the potential for expansion of the Sconi Project
 - Expansion of senior leadership team
 - Working capital and costs of offer.

1.4 Background to Resolution 1.3

When it announced the Subscription Agreements, the Company also announced the Entitlement Offer to raise up to \$2.8m before costs. The Entitlement Offer was partially underwritten by the Underwriter to the amount of \$1.05m and by the KMP Underwriters to the amount of \$251,000. The Underwriter was paid an underwriting fee 6% plus two Underwriter Options for each \$1.00 underwritten.

The purpose of resolution 1.3 is to seek ratification of the issue of the Underwriter Options to reset the Company's 15% placement capacity. If resolution 1.3 is not passed, ratification will not be given and the Underwriter Options will continue to count against the 15% placement capacity.

1.5 Terms of Securities for Resolution 1.3

Each Underwriter Option has an exercise price of \$0.089 per share, and expires on 20 December 2025. Further terms of the Underwriter Options are set out in Annexure 2.

1.6 ASX Listing Rule requirements for Resolution 1.3

(a) ASX Listing Rule 7.4

As stated, ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under ASX Listing Rule 7.1 if:

- i. the issue of securities did not breach ASX Listing Rule 7.1; and
- ii. Shareholders subsequently approve the issue of those securities by the Company.

The securities issued did not breach ASX Listing Rule 7.1.

(b) Technical information required by ASX Listing Rule 7.4

Pursuant to, and in accordance with, ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- i. The number of securities issued is 2,082,738 Underwriter Options.
- ii. the issue price of the Securities was nil;
- iii. the terms of the Securities are set out in section 1.5;
- iv. the names of the persons to whom the Company issued the Securities to are the Underwriter or any sub-underwriter as directed by the Underwriter under the Underwriting Agreement;
- v. no funds were raised from the issue of the securities;
- VI. the securities were issued on 23 December 2022.

1.7 Recommendation of directors

All Directors recommend that Shareholders vote in favour of Resolutions 1.1, 1.2 and 1.3.

2. RESOLUTION 2 - APPROVAL OF ISSUE OF SECURITIES

2.1 Background

As stated in section 1, the Company has entered into the Subscription Agreements whereby it has received \$4,550,000 as the Advance Payment, in return for the Options and the Advance Payment Credit, which may be used to subscribe to Placement Shares during the Term.

The Subscription Agreements give Lind and SBC the rights to subscribe for a number of Shares at the prices set out in section 1.1(f) and (g) during the Term up to the value of the Advance Payment Credit. The Company has the right to instead pay the cash amount of the Shares subscribed for. These rights are subject to the terms and conditions referred to in section 1.1.

The purpose of resolutions 2.1 and 2.3 is to seek shareholder approval of the issue of Placement Shares for the three-month period from the date of this meeting. This is the maximum period allowed for this type of approval under the Listing Rules.

The purpose of resolutions 2.2 and 2.4 are to seek approval to issue the Options.

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, without first obtaining shareholder approval.

The effect of resolutions 2.1 to 2.4 will be to allow the Company to issue Placement Shares and the Options during the period of 3 months after this meeting, without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

If resolutions 2.1 and 2.3 are not approved, Placement Shares issued will count against the agreed limit under the Subscription Agreements set out in section 1.1 and against the placement capacity under Listing Rule 7.1, so reducing the total amount of shares the Company will be able to issue in future under the limit. If the capacity (under the agreed limit) is exhausted, and the Company does not subsequently obtain approval for a particular issue, then the Company will have to pay the cash amount of the relevant notice..

If resolutions 2.2 and 2.4 are not approved, the Company will not issue the Options, and instead Lind and SBC do not have to pay for the Initial Shares.

2.2 ASX Listing Rule 7.3 – Resolutions 2.1 and 2.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Placement Shares under resolutions 2.1 and 2.3:

- (a) The maximum number of securities to be issued is calculated by dividing the amount set out in a subscription notice issued during the three-month period from the date of this meeting by the subscription price referred to in section 1.1 (f) to a maximum \$5,000,000. As this is a variable price it is not possible to give an exact number. The following table is for illustrative purposes only and sets out the number of shares that maybe issued in different circumstances:

Date of issue	Number of Shares by subscription amount		
	\$600,000	\$2,500,000	\$5,000,000
Issued prior to 1 March 2023 (note 1)	6,741,573	28,089,887	56,179,775
Issued between 1 March 2023 and 21 November 2023 (note 2)	12,000,000	-	-
Issued after 21 November 2023 (note 3)	12,000,000	50,000,000	100,000,000

(1) Shares are issued at the Fixed Subscription Price of \$0.089 prior to 1 March 2023;

(2) Shares are issued at either the Fixed Subscription Price or Variable Subscription Price but only a maximum of \$600,000 worth of Shares can be issued in the three-month period. As the price is unknown the figure of \$0.05 has been used, which is the

lower of the Fixed Subscription Price and the Variable Subscription Price assuming a closing Share price of \$0.057 at the date of this Notice of Meeting has been used;

(3) Shares are issued at either the Fixed Subscription Price or Variable Subscription Price from 21 November 2023 with no limit on amount subscribed for. As the price is unknown the figure of \$0.05 has been used, which is the lower of the Fixed Subscription Price and the Variable Subscription Price assuming a closing Share price of \$0.057 at the date of this Notice of Meeting has been used.

For example, if Lind issues a subscription notice for \$600,000 in Shares on 1 June 2023, assuming a Variable Subscription Price of 90% of the closing share price at the date of this Notice of Meeting of \$0.057, being \$0.05, then the calculation for the number of Shares to be issued will be:

$$600,000 / 0.05 = 12,000,000$$

- (b) Consideration – Placement Shares will be issued at varying subscription prices set out in section 1.1(f).
- (c) Placement Shares will be issued to Lind and/or SBC on receipt of a subscription notice from either party under the terms of the Subscription Agreement.
- (d) The Placement Shares will be issued to the recipients within 3 months of the date of this meeting.
- (e) \$4,550,000 has been received by the Company as the Advance Payment.
- (f) A voting exclusion statement is included in the Notice of Meeting.
- (g) The terms of the securities are ordinary fully paid shares.

2.3 ASX Listing Rule 7.3 – Resolutions 2.2 and 2.4

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Placement Shares under resolutions 2.2 and 2.4:

- (a) The maximum number of securities to be issued is 21,186,441 Options each to Lind and SBC, with an exercise price of \$0.089 per share, which expire 3-years after the date of issue.
- (b) Consideration – Options are issued at nil cost under the terms of the Subscription Agreements.
- (c) The Options will be issued to the recipients within 3 months of the date of this meeting.
- (d) No funds will be raised from the issue of the Options.
- (e) A voting exclusion statement is included in the Notice of Meeting.
- (f) The terms of the Options are set out above and in Annexure 1.

2.4 Board recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 2.1 to 2.4. The Chair intends to vote undirected proxies in favour of them.

Glossary

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Brisbane, QLD Time means Australian Eastern Standard Time as observed in Brisbane Queensland.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Australian Mines Limited (ACN 073 914 191).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Entitlement Offer means the partially underwritten Entitlement Offer announced on 22 November 2022.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Initial Shares means the initial shares described in 1.1 (c).

Lind means Lind Global Fund II, LP, a fund managed by The Lind Partners of 444 Madison Avenue, 41st Floor, New York, NY 10022, United States of America.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an Option to subscribe for a Share in the Company.

Placement Shares Means the Placement Shares described in 1.1 (a) and 1.1 (d)

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

SBC means SBC Global Investment Fund of 161A Shedden Road, One Artillery Court, PO Box Grand Cayman E9 KY1-1001.

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

Shareholder means a holder of a Share.

Subscription Agreements mean the agreements entered into by the Company and Lind and SBC respectively as announced to ASX on 22 November 2022 and described in section 1.1.

The Investors means Lind and SBC.

Underwriter means Bell Potter Securities Limited of Level 29, 101 Collins St, Melbourne, Victoria 3000

Underwriter Options means the options to be issued to the Underwriter (or sub underwriters) described in section 1.4.

Annexure 1

Summary of the key terms of the Options

1.1 Nature of Options

- (a) Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at the Options Exercise Price.
- (b) Each Option will be exercisable by the Option holder complying with its obligations under this clause **Error! Reference source not found.**, at any time after the time of its grant and prior to the Options Expiration Date, after which time it will lapse.

1.2 Exercise of Options

- (a) Without limiting the generality of, and subject to, the other provisions of the Agreement, an Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:
 - (i) a copy, whether facsimile or otherwise, of a duly executed Option exercise form substantially in the form attached to this Agreement as Annexure D (the **Exercise Form**), to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
 - (ii) a copy, whether facsimile or otherwise, of any exercise form required by the share registrar; and
 - (iii) payment of an amount equal to the Options Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).
- (b) As soon as reasonably practicable, but in any event no later than two (2) Business Days after receipt of a duly completed Exercise Form and the payment referred to in clause 1.2(a)(iii), the Company must cause its securities registrar to:
 - (i) issue and deliver the Shares in respect of which the Options are so exercised by the Option holder; and
 - (ii) provide to the Option holder holding statements evidencing that such Shares have been recorded on the Share register.

The Company must also issue a Shares Cleansing Statement in respect of those Shares where it is lawfully able to issue such a statement immediately after the issue of those Shares, or alternatively where a Shares Cleansing Statement is not available, issue a Prospectus to enable those Shares to be freely tradeable within 3 Trading Days after the issue of those Shares.

1.3 Bonus Issues

If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number

of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

1.4 Rights Issues

If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

1.5 Reconstruction of Capital

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (a) the number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction); and
- (b) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.

1.6 Cumulative Adjustments

Full effect will be given to the provisions of clauses 1.3 to 1.5, as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

1.7 Notice of Adjustments

Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted pursuant to this Agreement, the Company must give notice of the adjustment to all the Option holders, within one (1) Business Day.

1.8 Rights Prior to Exercise

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

1.9 Redemption

The Options will not be redeemable by the Company.

1.10 Assignability and Transferability

- (a) The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law. The Options will however not be listed on the ASX or any other securities exchange.
- (b) Shares issued upon the exercise of Options will be freely tradeable upon the earlier of the issue of a Shares Cleansing Statement by the Company, or

alternatively where a Shares Cleansing Statement is not available, the issue of a Prospectus by the Company in respect to those Shares.

Annexure 2

Summary of the key terms of the Underwriter Options

- (a) the Underwriter Options will be exercisable at any time prior to 5:00pm AEDT on 20 December 2025 (the Option Expiry Date). Underwriter Options not exercised on or before the Option Expiry Date will automatically lapse;
- (b) each Underwriter Option entitles the holder to subscribe for one Share upon payment of \$0.089 per Underwriter Option;
- (c) the Underwriter Options may be exercisable wholly or in part by completing an application form for Shares delivered to the Company's Share Registry, accompanied by payment of \$0.089 per Underwriter Option, and received by it any time prior to the Option Expiry Date;
- (d) Shares issued on the exercise of the Underwriter Options will rank pari-passu with the then existing issued ordinary shares;
- (e) the Company will in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Underwriter Options listed for Official Quotation;
- (f) there will be no participating entitlements inherent in the Underwriter Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Underwriter Options. Prior to any new pro rata issue of securities to Shareholders, holders of Underwriter Options will be notified by the Company;
- (g) in the event the Company proceeds with a pro rata issue (except a bonus issue) of Shares to the holders of Shares after the date of issue of the Underwriter Options, the exercise price of the Underwriter Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2;
- (h) in the event of any re-organisation (including reconstructions, consolidations, subdivision, reduction of capital) of the issued capital of the Company, the Underwriter Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged; and
- (i) the Underwriter Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Underwriter Options.

Proxy Voting Form

If you are attending the virtual Meeting
please retain this Proxy Voting Form
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.00pm (Brisbane, QLD time) on Monday 13 February 2023**, 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:

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BY FACSIMILE:

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All enquiries to Automic:

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