



20 October 2023

Dear Shareholders,

I am pleased to invite you to an Annual General Meeting of the Company's Shareholders (**AGM**) to be held at **22 Townshend Road, Subiaco WA 6008** at 10:00am (AWST) on Tuesday 21st November 2023.

A notice of meeting and accompanying explanatory memorandum was released to ASX (together **Notice of Meeting**) in respect of the AGM.

In accordance with Treasury Laws Amendments (2022 Measures No. 1) Act 2021, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from <https://sqxresources.com/>. Alternatively, a complete copy of the meeting documents has been posted to the Company's ASX market announcements page.

The Company strongly encourages Shareholders to vote via proxy for the purposes of the AGM. A personalised Proxy Form will be attached to this letter when dispatched by the Registry. Shareholders who have elected to receive notices from the Company in electronic format will receive an email directly from the Registry. Shareholders can update their email addresses and communication preferences via the website linkmarketservices.com.au.

SQX Resources Limited provides for Shareholders to lodge their proxy votes online. To do that, Shareholders can log in to www.linkmarketservices.com.au using the holding details (SRN or HIN) that will be available on the personalised Proxy Form dispatched by the Registry. Once logged in, select Voting and follow the prompts to lodge your vote.

Shareholders that experience any problems accessing the proxy voting screen(s) can contact the Registry (Link Market Services Limited) by phone on 1300 554 474 or by email at registrars@linkmarketservices.com.au.

Proxy instructions must be received no later than 48 hours before the commencement of the AGM.

This announcement has been authorised for release to the ASX by the Board of Directors of SQX Resources Limited.

Any inquiries in relation to the resolutions or the Explanatory Memorandum should be directed to info@sqxresources.com.

Yours sincerely
SQX RESOURCES LIMITED

Patric Glovac
Executive Chairman



SQX Resources Limited

(ACN 659 090 338)

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

21 November 2023

10:00am (AWST)

To be held by in person at 22 Townshend Road, Subiaco WA 6008

The Annual Report is available online at **<https://sqxresources.com/announcements>**

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 08 9388 0051.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of SQX Resources Limited (ACN 659 090 338) (**Company**) will be held by in person at 22 Townshend Road, Subiaco WA 6008 on 21 November 2023 commencing at 10:00am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4:00pm (AWST) on 19 November 2023.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1 Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2 Resolutions

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass as a **non-binding resolution** the following:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2023 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”

Please note that a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Election of Director – Mr Patric Glovac

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

“That, Mr Patric Glovac, having been appointed as an additional director of the Company on 29 August 2023, who retires in accordance with clause 14.4 of the Company’s Constitution and Listing Rule 14.4 and, being eligible and offering himself for election, be elected as a Director of the Company.”

Resolution 3 – Election of Director – Mr David Sanders

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

“That, Mr David Sanders, having been appointed as an additional director of the Company on 29 August 2023, who retires in accordance with clause 14.4 of the Company’s Constitution and Listing Rule 14.4 and, being eligible and offering himself for election, be elected as a Director of the Company.”

Resolution 4 – Re-election of Director – Mr Brent Van Staden

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

“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Brent Van Staden, a Director who was appointed on 30 November 2022, retires, and being eligible for re-election, is elected as a Director with immediate effect.”

Resolution 5 – Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Memorandum.”

Resolution 6 – Approval to issue Performance Rights to Directors

To consider and, if thought fit, to pass, with or without amendment, each as a **separate ordinary resolution**:

“That for the purposes of section 195(4) and section 208 of the Corporations Act and ASX Listing Rule 10.11, and for all other purpose, approval is given for the Company to issue:

- (a) 2,000,000 Performance Rights to Mr Patric Glovac (and/or his nominees);
- (b) 700,000 Performance Rights to Mr Sanders (and/or his nominees); and
- (c) 570,192 Performance Rights to Mr Brent Van Staden (and/or his nominees);

on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 6(a), by or on behalf of:
 - (i) Mr Patric Glovac (and/or his nominees) 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 entity); or
 - (ii) an Associate of that person or those persons;
- (b) Resolution 6(b) by or on behalf of:
 - (i) Mr David Sanders (and/or his nominees) 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 entity); or
 - (ii) an Associate of that person or those persons;
- (c) Resolution 6(c) by or on behalf of:
 - (i) Mr Brent Van Staden (and/or his nominees) 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 entity); or
 - (ii) an Associate of that person or those persons;

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

- (d) a person as a 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;
- (e) 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
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) 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
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 6 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that

specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 6 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated 20 October 2023

BY ORDER OF THE BOARD

Quinton Meyers
Mr Quinton Meyers
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held in person at 22 Townshend Road, Subiaco WA 6008 on 21 November 2023 commencing at 10:00am (AWST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to participate in the Meeting in person and are encouraged to lodge a directed Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend in person and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

- (a) If proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

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:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) 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
- (d) 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:

- (e) 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
- (f) the appointed proxy is not the Chair of the meeting; and
- (g) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA, on the question that the resolution be passed; and
- (h) either of the following applies:
 - (i) if a record of attendance is made for the meeting - the proxy is not recorded as attending;
 - (ii) 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.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Proxy Holders and Voting Instructions

If the Chair is appointed as your proxy and the Chair is not directed how to vote, you are authorising the Chair to cast your undirected vote on all proposed resolutions.

If a member of the Company's Key Management Personnel, or a Closely Related Party of such member, is appointed as your proxy, they will not be able to vote your proxy on Resolutions 1 and 6(a)-6(c).

If you intend to appoint a member of the Company's Key Management Personnel, or a Closely Related Party of such member, or the Chair, as your proxy, you are encouraged to direct them how to vote on Resolutions 1 and 6(a)-6(c), by marking "For", "Against" or "Abstain" for each of those resolutions.

2.3 Submit your Proxy Vote

(a) Online

Vote online at <https://investorcentre.linkgroup.com> and simply follow the instructions on the enclosed proxy form.

(b) By Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

IN PERSON	Delivering it to Link Market Services Limited* Level 12 680 George Street Sydney NSW 2000
BY MAIL	SQX Resources Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
BY FAX	+61 2 9287 0309
BY MOBILE	https://investorcentre.linkgroup.com

3. Annual Report

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is available online at <https://sqxresources.com/>;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. **Resolution 1 – Adoption of Remuneration Report**

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act also gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report will cease to hold office immediately before that further meeting but may stand for re-election.

Owing to this Meeting being the first annual general meeting of the Company subject of the ASX Listing Rules, the Company has not previously obtained Shareholder approval for the adoption of the remuneration report.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. **Resolution 2 – Election of Director – Mr Patric Glovac**

5.1 **General**

Clause 14.4 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders.

In addition, Listing Rule 14.4 provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

Patric Glovac, having been appointed by the Board pursuant to clause 14.4 of the Constitution on 29 August 2023, will retire in accordance with the Constitution and being eligible, seeks election.

If Resolution 2 is passed, Mr Glovac will be appointed as an Executive Director of the Company.

If Resolution 2 is not passed, Mr Glovac will not be appointed as an Executive Director of the Company.

5.2 Qualifications and other material directorships

Mr Glovac has over 20 years experience within capital markets, specialising in corporate advisory, management and investment advice. He is also a highly experienced Company Director, holding positions across numerous ASX listed companies in the capacity as Managing Director, Executive Director, Chairman and Non-Executive roles. Mr Glovac currently serves on the board of Pure Resources Limited and Global Oil & Gas Limited. Previously Mr Glovac was founding director and shareholder of IperionX Limited.

5.3 Corporate governance

If elected, the Board does not consider Mr Glovac to be an independent Director, as Mr Glovac is an executive Director.

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Glovac and the checks did not reveal any information of concern.

Mr Glovac has confirmed that he considers he will have sufficient time to fulfil his responsibilities as an executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as an executive Director of the Company.

5.4 Board recommendation

Resolution 2 is an ordinary resolution.

The Board (other than Mr Glovac) recommends Shareholders vote in favour of Resolution 2 on the basis that Mr Thomas' skills and experience have and will continue to support the Company in achieving its strategic objectives.

The Chair intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 – Election of Director – Mr David Sanders

6.1 General

Clause 14.4 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders.

In addition, Listing Rule 14.4 provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

David Sanders, having been appointed pursuant to clause 14.4 of the Constitution on 29 August 2023, will retire in accordance with the Constitution and being eligible, seeks election.

If Resolution 3 is passed, Mr Sanders will be appointed as a Non-executive Director of the Company.

If Resolution 3 is not passed, Mr Sanders will not be appointed as a Non-executive Director of the Company.

6.2 Qualifications and other material directorships

Mr Sanders has more than 20 years' experience in corporate law. He has advised numerous entities, including ASX-listed and private companies on capital raising, mergers and acquisitions, Corporations Act and ASX Listing Rules compliance, as well as commercial transactions across a range of industries and jurisdictions. In addition to his legal qualifications, David has a Bachelor of Commerce and Graduate Diploma of Applied Finance and Investments from the Securities Institute of Australia. David is currently Chairman of ASX listed Javelin Minerals Limited and SI6 Metals Limited.

6.3 Corporate governance

If elected, the Board considers Mr Sanders to be an independent Director.

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Sanders and the checks did not reveal any information of concern.

Mr Sanders has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-executive Director of the Company.

6.4 Board recommendation

Resolution 3 is an ordinary resolution.

The Board (other than Mr Sanders) recommends Shareholders vote in favour of Resolution 3 on the basis that Mr Sanders' skills and experience have and will continue to support the Company in achieving its strategic objectives.

The Chair intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 – Re-election of Director – Mr Brent Van Staden

7.1 General

Clause 14.2 of the Constitution requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded up). Clause 14.2 of the Constitution

further requires that the Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office.

Further, Listing Rule 14.4 provides that a director of an entity must not hold office (without election) past the third annual general meeting following the directors appointment or 3 years, whichever is longer.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election. Accordingly, Mr Van Staden, having been appointed on 30 November 2022, retires in accordance with clause 14.2 of the Constitution and being eligible, seeks re-election pursuant to Resolution 4.

7.2 Qualifications and other material directorships

Details of Mr Van Staden's background and experience are set out in the Annual Report, available at <https://sqxresources.com/announcements>.

7.3 Board Recommendation

Resolution 4 is an ordinary resolution.

The Board (excluding Mr Van Staden) recommends that Shareholders vote in favour of Resolution 4.

The Chair of the meeting intends to vote undirected proxies in favour of Resolution 4.

8. Resolution 5 – Approval of 10% Placement Facility

8.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

Resolution 5 seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 8.2(e) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

8.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

The Company is an eligible entity for these purposes as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$4.1 million, based on the closing price of Shares (\$0.12) on 19 October 2023.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue two quoted classes of Equity Securities, Shares (SQX) and Options (SQXO);

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid Shares issued in the 12 months:

- (1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);
- (2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the 12 month period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- (3) under an agreement to issue securities within Rule 7.2 exception 16 where:
 - the agreement was entered into before the 12 month period; or

- the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and

(4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;

(B) plus the number of partly paid shares that became fully paid in the 12 months; and

(C) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

"**relevant period**" has the same meaning as in rule 7.1.

(d) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(e) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (iii) the date that is 12 months after the date of the Meeting;
- (iv) the time and date of the Company's next annual general meeting; or
- (v) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(f) **What is the effect of Resolution 5?**

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

8.3 Specific information required by Listing Rule 7.3A

Under and for the purposes of Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 8.2(e) above).

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 8.2(d) above).

(c) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), the continued development, and where appropriate, the development of its Scrub Paddock Prospect and the Ollenburgs Prospect and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and

voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 8.2(c)) as at the date of the Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.065 50% decrease in Current Market Price	\$0.12 Current Market Price	\$0.26 100% increase in Current Market Price
31,250,000 Shares Variable A	10% Voting Dilution	3,125,000 Shares	3,125,000 Shares	3,125,000 Shares
	Funds raised	\$203,125	\$406,250	\$812,500
46,875,000 Shares 50% increase in Variable A	10% Voting Dilution	4,687,500 Shares	4,687,500 Shares	4,687,500 Shares
	Funds raised	\$304,688	\$609,375	\$1,218,750
62,500,000 Shares 100% increase in Variable A	10% Voting Dilution	6,250,000 Shares	6,250,000 Shares	6,250,000 Shares
	Funds raised	\$406,250	\$812,500	\$1,625,000

Notes:

1. The table has been prepared on the following assumptions:
 - (a) the issue price is the current market price (\$0.12), being the closing price of the Shares on ASX on 19 October 2023, being the last day that the Company's Shares traded on the ASX before this Notice was printed;
 - (b) Variable A is 31,250,000, comprising 25,000,000 quoted shares and 6,125,000 restricted shares in accordance with Appendix 9B of the Listing Rules.
 - (c) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - (d) no convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities; and

- (e) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- 2. The number of Shares on issue (ie Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- 3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- 4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- 5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (vi) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (vii) the effect of the issue of the Equity Securities on the control of the Company;
- (viii) financial situation and solvency of the Company; and
- (ix) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

Owing to this Meeting being the first annual general meeting of the Company subject of the ASX Listing Rules, the Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

8.4 **Board recommendation**

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 5.

The Chair intends to exercise all available proxies in favour of Resolution 5.

9. **Resolution 6(a), Resolution 6(b) and Resolution 6(c) – Approval to issue Performance Rights to Directors**

9.1 **General**

Resolution 6(a) to Resolution 6(c) seeks the approval of Shareholders for the issue of a total of 3,270,192 Performance Rights to the Directors in the following proportions:

- (a) 2,000,000 Performance Rights to Mr Glovac (and/or his nominees); and
- (b) 700,000 Performance Rights to Mr Sanders (and/or his nominees);
- (c) 570,192 Performance Rights to Mr Van Staden (and/or her nominees);

in accordance with sections 195(4) and 208 of the Corporations Act and Listing Rule 10.11 (**Director Performance Rights**).

The Director Performance Rights provide an incentive component to the above Directors' remuneration package, and align their interests with those of Shareholders. The Board considers that the number of Director Performance Rights to be granted to the abovenamed Directors is commensurate with the value added to the Company and is an appropriate method to provide cost effective remuneration. The Board believes it is important to offer these Director Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The full terms and conditions of the Director Performance Rights are set out in Schedule 2.

Resolution 6 seeks the approval of Shareholders for the issue of the Director Performance Rights to the abovenamed Directors or their nominees under and for the purposes of Listing Rule 10.11.

9.2 **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;

- (b) 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;
- (c) 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;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the company or a person referred to in Listing Rule 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 proposed issue of Director Performance Rights to the abovenamed Directors (or their nominees) 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 Shareholders under Listing Rule 10.11.

Resolution 6 seeks the required Shareholder approval to the proposed issues of Director Performance Rights under and for the purposes of Listing Rule 10.11.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Director Performance Rights to the abovenamed Directors (or their nominees).

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Director Performance Rights to the abovenamed Directors (or their nominees) and the Company may need to consider other forms of incentive remuneration, including by the payment of cash.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Incentive Options will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

9.3 **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party of that public company unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes the issue of securities. For the purpose of the General Meeting, a related party includes a director of the Company.

For the purposes of Chapter 2E of the Corporations Act, the recipients of the Director Shares are related parties of the Company by virtue of the fact that they are Directors of the Company.

Section 208 of the Corporations Act provides that for a public company, or an entity that a public company controls, to give a financial benefit to a related third party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Given that all Directors have a material personal interest, the Directors cannot form a quorum to determine whether the giving of the financial benefit falls within an exception set out in Section 210 to 216 of the Corporations Act. Shareholder approval is therefore also sought for the purpose of Chapter 2E of the Corporations Act.

9.4 **Technical Information required by Listing Rule 10.13 and Chapter 2E of the Corporations Act**

Pursuant to and in accordance with Listing Rule 10.13 and Chapter 2E of the Corporations Act, the following information is provided in relation to Resolution 6(a) to Resolution 6(c):

- (a) the Director Performance Rights will be issued to Mr Glovac, Mr Sanders and Mr Van Staden (and/or their nominees);
- (b) each of Mr Glovac, Mr Sanders and Mr Van Staden fall within the category of Listing Rule 10.11.1 by virtue of being Directors of the Company;
- (c) the maximum number of Director Performance Rights to be issued to the Directors 3,270,192 Director Performance Rights, comprising:
 - (i) 2,000,000 Director Performance Rights to Mr Glovac (and/or his nominees) **(Glovac Performance Rights)**;
 - (ii) 700,000 Performance Rights to Mr Sanders (and/or his nominees) **(Sanders Performance Rights)**;
 - (iii) 570,192 Performance Rights to Mr Van Staden (and/or her nominees) **(Van Staden Performance Rights)**;

a summary of the material terms of the Director Performance Rights is set out in Schedule 2;

- (d) the Director Performance Rights will be granted to the Directors no later than one (1) month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX listing Rules);
- (e) the Director Performance Rights will be issued for nil cash consideration and accordingly no funds will be raised;
- (f) the purpose of the issue is to incentivise the Directors;
- (g) the Director Performance Rights have the values shown in Schedule 2;
- (h) the relevant interests of the Directors in securities of the Company as at the date of this Notice are:

Related Party	Shares	Options	Performance Rights
Patric Glovac ¹	1,560,614	Nil	Nil
David Sanders	Nil	Nil	Nil
Brent Van Staden ²	Nil	250,000	129,808

Notes:

1. 770,000 Shares held by Murdoch Capital Pty Ltd <The Glovac s/fund A/C> (an entity of which Mr Glovac is a director and shareholder). 790,614 Shares held indirectly by GTT Global Opportunities Pty Ltd (an entity of which Mr Glovac is a director and shareholder).
2. Mr Van Staden indirectly, through his spouse, Jennifer Van Staden, holds 250,000 Options exercisable at \$0.30 any time up to 10 February 2025 and 129,808 Performance Rights which convert into Shares on a one for one basis in the event the Company's share's trade at a VWAP of at least \$0.40 for a minimum of 20 consecutive trading days, with such milestone being achieved by 10 February 2028.

- (i) the remuneration from the Company to each Director and his associates for the prior financial year and the proposed remuneration for the current financial year are set out below:

Related Party	Current Financial Year (ending 30 June 2024)	Prior Financial year (ending 30 June 2023)
Patric Glovac ¹	\$160,000	Nil
David Sanders ²	\$40,000	Nil
Brent Van Staden ³	\$40,000	\$30,000

Notes:

1. Mr Glovac was appointed as Executive Chairman on 29 August 2023 is entitled to receive \$160,000 per annum (plus superannuation), effective from the date he was appointed.
2. Mr Sanders was appointed Non-Executive Director on 29 August 2023 and is entitled to receive \$40,000 per annum (plus superannuation), effective from the date he was appointed.
3. Mr Brent Van Staden was appointed as Non-Executive Director on 30 November 2023 and is entitled to receive \$40,000 per annum (plus superannuation), effective from the date 29 August 2023.

- (j) the Director Performance Rights are not being issued under any agreement;
- (k) if the Director Performance Rights granted to the Directors are converted on achievement of the relevant milestones, a total of 3,270,192 Shares would be allotted and issued. This will increase the number of Shares on issue from 31,250,000 to 34,520,192 (assuming that no other Securities are exercised and no other Shares are issued) with the effect that the shareholding of existing shareholders would be diluted by an aggregate of 9.47%;
- (l) if the performance milestones are achieved and each of Mr Glovac, Mr Sanders and Mr Van Staden convert all Director Performance Rights the subject of Resolution 6(a) to Resolution 6(c) and no other Shares are issued by the Company, they would hold approximately 10.31%, 2.03% and 1.65% respectively (which includes their current Shareholding noted in 9.4(h), but does not take into account any other issues of

Securities under this Notice) of the issue capital of the Company, on an undiluted basis;

- (m) the highest and lowest closing prices of Shares on the ASX during the 12 months preceding the date of this Notice, and the latest closing price, are set out below.

High – 20/02/2023	Low – 24/07/2023 and 25/07/2023	Latest – 19/10/2023
\$0.18	\$0.11	\$0.12

- (n) in respect of Resolution 6(a) to Resolution 6(c):
- (i) the primary purpose of the grant of the Director Performance Rights is to provide a performance and retention linked incentive component of the remuneration package to the Directors to motivate and reward their performance. By providing the Directors with a portion of their remuneration as Performance Rights, the Company retains that additional cash for use in other aspects of its operations;
 - (ii) the Board (other than in respect of the relevant Resolution that they have an interest in) considered the milestones to be achieved and the value that will be derived if the milestone is achieved, the extensive experience and reputation of the relevant Director within the industry, the current market price of Shares and current market practices when determining the number of the Director Performance Rights to be issued to the Directors; and
 - (iii) the Board does not consider there are any significant opportunity costs to the Company in issuing the Director Performance Rights to the Directors.
- (o) each Director has a material personal interest in the outcome of Resolution 6(a) to Resolution 6(c) on the basis that all the Directors (or their nominee/s) are to be issued Director Performance Rights. For this reason, the Directors do not believe that it is appropriate to make recommendations on Resolution 6(a) to Resolution 6(c) of this Notice;
- (p) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions; and
- (q) a voting exclusion statement is included for Resolution 6(a) to Resolution 6(c) of this Notice.

9.5 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company must not vote or be present during meetings of Directors when matters in which that Director holds a “material personal interest” are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

Each of the Directors may be argued to have a material personal interest in the outcome of Resolutions 6(a) to 6(c) (as applicable to each Director) by virtue of the fact that Resolutions 6(a) to 6(c) are concerned with the issue of Director Performance Rights to Directors. Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered. In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions. The Directors have accordingly exercised their right under section 195(4) of the Corporations act to put the issue to Shareholders to determine.

9.6 **Board recommendation**

Resolution 6(a) to Resolution 6(c) (inclusive) are **separate** ordinary resolutions.

The Directors decline to make a recommendation to Shareholders in relation to Resolution 6(a) to Resolution 6(c) (inclusive) due to their material personal interests in the outcome of the Resolutions.

Schedule 1 Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 8.1.

10% Placement Period has the meaning given in Section 8.2(e).

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2023.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means SQX Resources Limited (ACN 659 090 338).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

Director Performance Rights has the meaning given in Section 9.1.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Performance Rights means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Two Strikes Rule has the meaning in Section 4.

VWAP means volume weight average price.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

Schedule 2 Terms of Director Performance Rights

1. Vesting Conditions

Subject to the terms and conditions below, each (1) Performance Right is convertible into one (1) fully paid ordinary share in the capital of the Company, upon the following milestones being achieved (**Vesting Conditions**):

Vesting Condition	Expiry Date	Quantum to convert
Company achieving a VWAP of at least \$0.25 over a period of 20 consecutive trading days	3 years from the date of grant	1,000,000 Glovac Performance Rights 350,000 Sanders Performance Rights 350,000 Van Staden Performance Rights
Company achieving a VWAP of at least \$0.35 over a period of 20 consecutive trading days	3 years from the date of grant	1,000,000 Glovac Performance Rights 350,000 Sanders Performance Rights 220,192 Van Staden Performance Rights

2. Expiry Date

The Performance Rights will lapse at 5:00pm (WST) on the date that is 3 years from date of issue of issue of the Performance Rights (**Expiry Date**).

3. General Terms

- (a) The Performance Rights will be granted for nil consideration, as their primary purpose is to provide a performance and retention linked incentive component of the remuneration package to each of the Directors and Company Secretary (**Recipients**), to motivate and reward their performance with the Company.
- (b) The Performance Rights will not convert to Shares until such time as the relevant Vesting Conditions referred to above have been satisfied.
- (c) The Board may, at its discretion, and by notice to the Recipients, adjust or vary the terms of a Performance Right, subject to the requirements of the Listing Rules. No adjustment or variation to these terms will be made without the prior written consent of each Recipient, if such adjustment or variation would have a materially prejudicial effect upon that Recipient (in respect of their outstanding Performance Rights).
- (d) The Performance Rights are otherwise subject to the following standard terms and conditions:

- (i) **(No Voting Rights)** The Performance Rights do not entitle the Recipient to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (ii) **(No Dividend Rights)** The Performance Rights do not entitle the Recipient to any dividends.
- (iii) **(Rights on Winding Up)** The Performance Rights do not entitle the Recipient to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (iv) **(Not Transferable)** The Performance Rights are not transferable.
- (v) **(Not Quoted)** The Performance Rights will not be quoted on ASX. However, upon conversion of the Performance Rights into Shares, the Company must, within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (vi) **(Participation in Entitlements and Bonus Issues)** Recipients of Performance Rights will not be entitled to participate in new issues of securities offered to holders of Shares such as bonus issues and entitlement issues, unless and until the Recipient is entitled to convert the Performance Rights, and does so before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares.
- (vii) **(No Other Rights)** The Performance Rights give the Recipients no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

4. **Conversion of Performance Rights**

- (a) A certificate or holding statement will be issued to each Recipient for their respective Performance Rights.
- (b) Recipients may only convert their Performance Rights by delivering to the Company Secretary, in the period between the relevant Vesting Condition being satisfied and the relevant Expiry Date:
 - (i) the certificate or holding statement for the Performance Rights or, if either or both have been lost or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company by relying on the declaration; and
 - (ii) a notice signed by the Recipient stating the Recipient wishes to convert the Performance Rights and specifying the number of Performance Rights which are converted.
- (c) Vested Performance Rights may be converted in one or more parcels of any size. A conversion of only some Performance Rights shall not affect the rights of the Recipient to the balance of the Performance Rights held by the Recipient.

- (d) The Company shall issue to the Recipient shares and deliver holding statements following conversion within ten (10) Business Days of receipt of the notice described in 4(b)(ii).
- (e) Shares issued following conversion of a Performance Right shall rank, from the date of issue, equally with existing shares of the Company in all respects.

5. Lapse of Performance Rights

- (a) Subject to clauses 5(b) and 5(c), every Performance Right will lapse immediately and all rights attaching to the Performance Rights will be lost:
 - (i) if the Recipient ceases to be an employee or Director of, or to render services to, the Company (or any of its subsidiaries) for any reason whatsoever (including without limitation resignation or termination for cause) and the relevant Vesting Condition has not been satisfied; or
 - (ii) the Vesting Conditions are unable to be satisfied; or
 - (iii) the Vesting Conditions have been satisfied, however the Expiry Date has passed without the Recipient electing to convert their Performance Rights pursuant to clause 4(b);

whichever is earlier.
- (b) If the Expiry Date of a Performance Right falls outside any applicable trading window, then the Expiry Date of such Performance Right shall be extended to the close of business on the 10th Business Day during the next applicable trading window.
- (c) If the Recipient dies, becomes permanently disabled, resigns employment on the basis of retirement from the workforce or is made redundant by the relevant member of the Company (or any of its subsidiaries), prior to the Expiry Date of any Performance Rights granted to the Recipient (**Ceasing Event**) the following provisions apply:
 - (i) the Recipient or the Recipient's personal legal representative, where relevant, may convert those Performance Rights which at that date:
 - (A) have satisfied all relevant Vesting Conditions;
 - (B) have not already been converted; and
 - (C) have not lapsed or expired,

in accordance with clause 5(c)(iii);
 - (ii) at the absolute discretion of the Board, the Board may resolve that the Recipients, or the Recipients 's personal legal representative, where relevant, may convert those Performance Rights which at that date:
 - (A) have not satisfied their relevant Vesting Conditions; and
 - (B) have not lapsed or expired,

in accordance with clause 5(c)(iii) and, if the Board exercises that discretion, those Performance Rights will not lapse or expire other than as provided in clause 5(c)(iii);

- (iii) the Recipient or the Recipient's personal legal representative (as the case may be) must convert those Performance Rights referred to in clause 5(c)(i) and, where permitted, clause 5(c)(ii), not later than the earliest of:

- (A) the Expiry Date of the relevant Performance Rights; and
- (B) the date which is 6 months after the Ceasing Event provided that in the case of Performance Rights referred to in clause 5(c)(ii), all Vesting Conditions have been met at that time (unless the Board decides to waive any relevant Vesting Conditions, in its absolute discretion); and

- (iv) Performance Rights which have not been converted by the end of the period specified in clause 5(c)(iii) lapse immediately at the end of that period.

- (d) Where:

- (i) the Recipient ceases to be an employee or Director of, or to render services to, the Company (or any of its subsidiaries) for any reason whatsoever (including without limitation resignation or termination for cause) prior to the relevant Expiry Date, however the relevant Vesting Condition has been met, the Recipient is entitled to convert the Performance Rights for a period of up to 1 month after the date which the Recipient ceased to be a Recipient, after which the Performance Rights will lapse immediately.

6. Change in Control Event

- (a) Change in Control Event means:

- (i) the occurrence of:

- (A) the offeror under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
- (B) that takeover bid has become unconditional; or

- (ii) the announcement by the Company that:

- (A) shareholders of the Company have (at a Court convened meeting of shareholders) voted (by the necessary majority) in favour of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
- (B) the Court, by order, approves the scheme of arrangement.

- (b) On the occurrence of a Change of Control Event, the Board may in its sole and absolute discretion determine that any unvested Performance Rights will vest in the Recipients, despite the non-satisfaction of any Vesting Conditions and become convertible in accordance with clause 4(b), with such vesting deemed to have taken

place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of the Recipient is terminated or ceases in connection with the Change of Control Event.

- (c) Whether or not the Board determines to accelerate the vesting of any Performance Rights, the Company shall give written notice of any proposed Change of Control Event to all Recipients.
- (d) Upon the giving of such notice, the Recipient shall be entitled to convert, at any time within the 14-day period following the receipt of such notice, all or a portion of those Performance Rights granted to the Recipient which are then vested and convertible in accordance with their terms, as well as any unvested Performance Rights which shall become vested and convertible in connection with the Change of Control Event.
- (e) Unless the Board determines otherwise (in its sole and absolute discretion), upon the expiration of such 14-day period, all rights of the Recipient to convert any outstanding Performance Rights, whether vested or unvested, shall terminate and all such Performance Rights shall immediately lapse, expire and cease to have any further force or effect, subject to the completion of the relevant Change of Control Event.
- (f) In any event, the maximum number of Performance Rights that can be converted into Shares and issued upon a Change of Control Event pursuant to this clause 6 must not exceed 10% of the issued share capital of the Company (as at the date of the Change in Control event).

Schedule 3 Value of Director Performance Rights

Valuations assumptions	Class A Performance Rights- First Tranche	Class A Performance Rights- Second Tranche
Number of instruments	1,700,000	1,570,192
Underlying spot price	\$0.125	\$0.125
Exercise Price	N/A	N/A
Barrier Price	\$0.25	\$0.35
Expected Volatility	65%	65%
Life of Rights (years)	3	3
Expected dividends	Nil	Nil
Risk Free rate	3.97%	3.97%
Value per instrument (\$)	\$0.0808	\$0.0618
Value per tranche (\$)	\$137,360	\$97,038



SQX RESOURCES LIMITED

ABN 91 659 090 338

LODGE YOUR VOTE



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<https://investorcentre.linkgroup.com>



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Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474

PROXY FORM

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

APPOINT A PROXY



the Chairman of the Meeting (mark box)

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AWST) on Tuesday, 21 November 2023 at 22 Townshend Road, Subiaco WA 6008** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies Against each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – Mr Patric Glovac	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to issue Performance Rights to Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Mr David Sanders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Re-election of Director – Mr Brent Van Staden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

SQX PRX2303C

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AWST) on Sunday, 19 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

<https://investorcentre.linkgroup.com>

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



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

SQX Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**