

Notice of Annual General Meeting and Proxy Form

Pacific Nickel Mines Limited (ASX Code: PNM) (**Pacific Nickel** or **Company**) provides its Notice of Annual General Meeting and Proxy Form.

Authorised by the Board.

For further information please contact:

Mr. Andrew J. Cooke
Company Secretary
Email: acooke@pacificnickel.com

Please visit the company's website at www.pacificnickel.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the twenty seventh Annual General Meeting of the Company will be held

**At: Computershare Investor Services Pty Limited
 Level 3, 60 Carrington Street, Sydney, NSW, 2000**

On: Wednesday 29 November 2023 at 2.00 pm

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

BUSINESS

Financial Report – Year Ended 30 June 2023

To receive and consider the Financial Report of the Company and its controlled entities and the reports of the Directors and the Auditor for the financial year ended 30 June 2023.

1. Remuneration Report

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2023 be adopted.”

2. Election of Mr. Greg Foulis as a Director

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

“That Mr. Greg Foulis, who retires in accordance with the Constitution of the Company and, being eligible, offers himself for election, be elected as a Director of the Company.”

3. Re-Election of Mr. Terry Cuthbertson as a Director

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

“That Mr. Terry Cuthbertson, who retires in accordance with the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

4. Re-Election of Mr. Robert Thomson as a Director

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

“That Mr. Robert Thomson, who retires in accordance with the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

5. Ratify Previous Issue of Placement of Shares

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

That for the purposes of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 29,411,765 fully paid ordinary shares in the Company issued at the price of \$0.085 per share to each of the sophisticated and institutional investors referred to and on the terms and conditions set out in the accompanying Explanatory Memorandum.

6. Proposed Issue of Performance Rights to a Director, Mr. Greg Foulis

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given in respect of the issue of up to 750,000 Performance Rights by the Company to Mr. Greg Foulis or his associate as described in the Explanatory Memorandum.

7. Proposed Issue of Performance Rights to a Director, Mr. Geoff Hiller

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given in respect of the issue of up to 2,500,000 Performance Rights by the Company to Mr. Geoff Hiller or his associate as described in the Explanatory Memorandum.

8. Proposed Issue of Performance Rights to a Director, Mr. Terry Cuthbertson

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given in respect of the issue of up to 750,000 Performance Rights by the Company to Mr. Terry Cuthbertson or his associate as described in the Explanatory Memorandum.

9. Proposed Issue of Performance Rights to a Director, Mr. James Dean

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given in respect of the issue of up to 750,000 Performance Rights by the Company to Mr. James Dean or his associate as described in the Explanatory Memorandum.

10. Proposed Issue of Performance Rights to a Director, Mr. Robert Thomson

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given in respect of the issue of up to 2,000,000 Performance Rights by the Company to Mr. Robert Thomson or his associate as described in the Explanatory Memorandum.

VOTING EXCLUSIONS

Corporations Act

Resolution	Person excluded or prohibited from voting
Resolution 1 - Remuneration Report Resolutions 6, 7, 8, 9, 10 Proposed Issue of Performance Rights to Directors of the Company	The Company will disregard votes cast by a member of the Key Management Personnel of the Company details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member, in contravention of section 250R or 250BD of the Corporations Act. Restrictions also apply to votes cast by such persons as proxy unless the appointment specifies the way the proxy is to vote on the resolution and the vote is not cast on behalf of a person that is prohibited from voting. Important Notice for Resolution 1: If a shareholder appoints the Chairman of the meeting as the shareholder's proxy and authorises the Chairman to vote undirected proxies on Resolution 1, the Chairman will vote, as proxy for that shareholder, in favour of Resolution 1.
Resolutions 6, 7, 8, 9, 10 Proposed Issue of Performance Rights to Directors of the Company	The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD of the Corporations Act.

Listing Rules

In accordance with the Listing Rule 14.11, the Company will disregard votes cast in favour of the following resolutions by or on behalf of:

Resolution	Person excluded from voting
Resolution 5 - Ratify Previous Issue of Placement of Shares	A person who participated in the issue and any of their Associates.
Resolution 6 - Proposed issue of Performance Rights to a Director – Greg Foulis	Mr. Greg Foulis, his nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with this Resolution, any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is

	eligible to participate in the Company's Equity Incentive Plan and any of their Associates.
Resolution 7 - Proposed issue of Performance Rights to a Director – Geoff Hiller	Mr. Geoff Hiller, his nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with this Resolution, any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Equity Incentive Plan and any of their Associates.
Resolution 8 - Proposed issue of Performance Rights to a Director – Terry Cuthbertson	Mr. Terry Cuthbertson, his nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with this Resolution, any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Equity Incentive Plan and any of their Associates.
Resolution 9 - Proposed issue of Performance Rights to a Director – James Dean	Mr. James Dean, his nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with this Resolution, any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Equity Incentive Plan and any of their Associates.
Resolution 10 - Proposed issue of Performance Rights to a Director – Robert Thomson	Mr. Robert Thomson, his nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with this Resolution, any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Equity Incentive Plan and any of their Associates.

However, the Company need not disregard votes on the above Resolutions if the vote is cast by:

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

ANNUAL REPORT

The Annual Report for the Year Ending 30 June 2023 may be downloaded from the Company's website from the homepage: www.pacificnickel.com or by accessing the following link: <https://pacificnickel.com/investors/company-reports/>

ENTITLEMENT TO VOTE

In accordance with the *Corporations Act 2001* (Cth) the Board has determined that for the purposes of the meeting, a person's entitlement to vote at the meeting will be the entitlement of that person set out in the Register of Members of the Company at 7.00pm (Sydney time) on 27 November 2023. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

VOTING BY PROXY

- A shareholder entitled to attend and vote at the meeting is entitled to appoint not more than 2 proxies to attend and vote instead of the shareholder.
- Where 2 proxies are appointed the Proxy Form should specify the proportion, or the number of votes that the proxy may exercise. If the Proxy Form does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
- A proxy need not be a shareholder of the Company. The proxy appointed may be described in the Proxy Form by an office held, e.g. "the Chair of the Meeting".
- Proxy Forms must be signed by a shareholder or the shareholder's attorney or, if the shareholder is a corporation, must be under its common seal, or if it does not have one, by 2 directors or by a director and a company secretary, or if it is a proprietary company that has a sole director who is also the company secretary, by that director, or under hand of its attorney or duly authorised officer. If the Proxy Form is signed by a person who is not the registered holder of shares in the Company (i.e. under power of attorney or other authorisation), then the relevant authority (or a certified copy of such authority) must either have been exhibited previously to the Company or be enclosed with the Proxy Form.

In order to record a valid vote, members will need to take the following steps:

- Cast your vote online by visiting www.investorvote.com.au and following the instructions and information provided on the enclosed proxy form; or
- Custodian voting - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions; or
- Complete and lodge the proxy form with the Company at the address or facsimile number specified below, along with any power of attorney or notarially certified copy of a power of attorney (if the proxy form is signed pursuant to a power of attorney), by no later than 48 hours before the Annual General Meeting (i.e. by **no later than 2.00 pm (Sydney time), Monday 27 November 2023**):

Pacific Nickel Mines Limited
C/- Computershare Investor Services Pty Ltd
GPO Box 242
MELBOURNE VIC 3001

Or facsimile 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

CORPORATE REPRESENTATIVES

A body corporate that is a member, or that has been appointed as a proxy of a member, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment including the authority under which it is signed.

By order of the Board
Andrew J Cooke
Company Secretary
23 October 2023

EXPLANATORY MEMORANDUM TO NOTICE OF ANNUAL GENERAL MEETING

ITEM 1 - Financial Report – Year Ended 30 June 2023

The *Corporations Act 2001* (Cth) (“Corporations Act”) requires the financial report (which includes the financial statements and the Directors’ declaration), the Directors’ report and the Auditor’s report to be laid before the AGM. There is no requirement either in the Corporations Act or in the Constitution of the Company for shareholders to approve the financial report, the Directors’ report or the Auditor’s report.

This item of business provides shareholders with a reasonable opportunity to ask questions concerning or make comments on the Company’s financial statements and reports for the year ended 30 June 2023, the Company’s performance generally and the management of the Company. A representative of the Auditor will be attending the Annual General Meeting.

As a shareholder, you are entitled to submit a written question to the Auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor’s report; or
- the conduct of the audit in relation to the Financial Report.

All written questions must be received by the Company no later than **Wednesday 22 November 2023**. All questions must be sent to the Company and may not be sent direct to the Auditor. The Company will then forward all questions to the Auditor.

The Auditor will answer written questions submitted prior to the Annual General Meeting.

The Auditor will also answer questions at the meeting from shareholders relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor’s report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

RESOLUTION 1 - Remuneration Report

The Directors’ report for the year ended 30 June 2023 contains a Remuneration Report which sets out the policy on remuneration of the Directors of the Company and specified executives of the Company.

The Directors believe that the Company’s remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory and does not bind the Directors of the Company. However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company’s next Remuneration Report must explain the Board’s proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, shareholders will then vote to determine whether the Directors, excluding the managing director, will need to stand for re-election (a “Spill Resolution”). If more than 50% of the votes cast on the resolution are in favour, a separate spill meeting must be held within 90 days.

At the Company’s 2022 annual general meeting, the votes cast against the remuneration report considered at that meeting were less than 25%. Accordingly, a Spill Resolution cannot be put at this meeting.

Members attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

RESOLUTION 2 – Election of Mr. Greg Foulis as a Director

Non-Executive Chairman (Appointed 8 June 2023)

Mr Foulis is a Resource Sector-Finance Executive with over 35 years of diverse international experience. Greg has a track record in finance and mining across a variety of roles ranging from Board, CEO, business Development and Investment Advisory services. Greg is currently a Director of USA explorer Gold 50 Limited (G50.ASX), mining advisor to Paradigm Capital Inc., as well as co-founder and Chairman of an unlisted Japanese gold exploration company.

From 2009 to 2013 Greg served as Senior Vice President - Business Development at AngloGold Ashanti Ltd, the world's 3rd largest gold producer. Prior to joining AngloGold, Greg spent seventeen years in the Finance sector with resource related roles including eleven years with Deutsche Bank in various roles including mining equity research, mining and energy specialist sales and international funds management.

Geological career highlights include involvement in the exploration, drill-out and feasibility of the giant Lihir Gold project in Papua New Guinea in the 1980's.

Mr. Foulis is a member of the Remuneration Committee.

The Board considers Mr. Foulis to be an independent director of the Company.

Recommendation

The Board (excluding Mr. Foulis) recommends that shareholders vote in favour of the election of Mr. Foulis as a Director of the Company.

RESOLUTION 3 – Re-election of Mr. Terry Cuthbertson as a Director

Non-Executive Director

Mr Cuthbertson is a qualified Chartered Accountant and holds a Bachelor of Business Degree with extensive corporate finance expertise, having advised several businesses and government organisations in relation to mergers, acquisitions and financing. He was formerly a Partner of KPMG Corporate Finance and NSW Partner in Charge of Mergers and Acquisitions, where he coordinated government privatisations, mergers, divestitures and public offerings on the ASX for the New South Wales practice. He is the Non-Executive Chairman of Austpac Resources NL and Non-Executive Director of Mint Payments Limited.

Mr. Cuthbertson was Chairman of the Board from July 2013 to 8 June 2023. Mr. Cuthbertson is a member and Chairman of the Remuneration Committee and a member of the Audit Committee.

The Board considers Mr. Cuthbertson to be an independent director of the Company.

Recommendation

The Board (excluding Mr. Cuthbertson) recommends that shareholders vote in favour of the re-election of Mr. Cuthbertson as a Director of the Company.

RESOLUTION 4 – Re-election of Mr. Robert Thomson as a Director

Technical Director

Mr Thomson is a Mining Engineer with extensive experience (gold and base metals) in site operations, the development of exploration projects into sustainable mining operations and businesses in Asia, Africa and Australia. He also has extensive corporate and industry experience with local and international mining companies in sector executive roles and as a director of publicly listed companies on the ASX and formerly on the AIM Exchange and the TSX Venture Exchange. He is currently the Non-Executive Director of Southern Palladium Limited (SPD.ASX) and Bayrock Resources Limited.

The Board considers Mr. Thomson to be an executive director of the Company. The Board does not consider Mr. Thomson to be an independent director of the Company.

Recommendation

The Board (excluding Mr. Thomson) recommends that shareholders vote in favour of the re-election of Mr. Thomson as a Director of the Company.

RESOLUTIONS 5 - Ratify Previous Issue of Placement of Shares

As announced to the ASX on 24 April 2023 the Company had successfully arranged a well supported placement of 29,411,765 Shares at \$0.085 to raise \$2.5 million (Placement).

The issue price of \$0.085 for the Placement represents a 15.0% discount to the last trade on 19 April 2023 and a 5.7% discount to the 15-day VWAP up to 19 April 2023.

The Sole Lead Manager to the Placement was Bridge Street Capital Partners.

The Placement will be undertaken under the Company's ASX Listing Rule 7.1 capacity.

The Placement was well supported by many existing shareholders and a number of new institutional and sophisticated investors from Australia and overseas.

With the Kolosori Project being funded by the US\$22m provided by the Glencore International AG debt facility, the funds raised from this raising were to primarily be used for:

- a) Advancing development activities at Pacific Nickel's second Direct Shipping Ore nickel project, the Jejevo Nickel Project, and
- b) Working Capital and General Corporate Purposes.

ASX LISTING RULES

ASX Listing Rule 7.1

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that the Company can issue without Shareholder approval in any 12-month period to 15% of its fully paid ordinary securities.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 allows an issue of securities to be subsequently approved by shareholders and treated as having been made with approval of shareholders for the purpose of ASX Listing Rule 7.1. By obtaining approval for the issue of shares under ASX Listing Rule 7.4 the Company is able to refresh its capacity to issue up to 15% of its issued shares, if required, in the next 12 months without the need to obtain shareholder approval.

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.4.

The following information is provided for the purposes of ASX Listing Rule 7.5:

- i. The persons to whom Pacific Nickel issued the Placement Shares were the persons/entities identified by Bridge Street Capital Partners who had been engaged by the Company as Sole Lead Manager to identify participants in the Placement. Bridge Street Capital Partners offered participation in the Placement to all major shareholders that could be identified. Thereafter, so far as possible the Sole Lead Manager focussed on achieving a spread of new investors to complement the Company going forward being either institutional or sophisticated investors.
- ii. 29,411,765 fully paid ordinary shares were issued by the Company.
- iii. The securities issued were fully paid ordinary shares.

- iv. The Placement Shares were issued on 1 May 2023.
- v. All of the Placement Shares were issued at the issue price of \$0.085.
- vi. The funds raised will primarily be used for:
 - a) Advancing development activities at Pacific Nickel's second Direct Shipping Ore nickel project, the Jejevo Nickel Project, and
 - b) Working Capital and General Corporate Purposes.
- vii. The Placement Shares were issued pursuant to standard share application forms submitted to Bridge Street Capital Partners as Sole Manager to the Placement.
- viii. A Voting Exclusion Statement for this Resolution 5 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Resolution 5 is passed, the 29,411,765 shares being the subject of Resolution 5 will be excluded in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

If Resolution 5 is not passed, the 29,411,765 shares being the subject of Resolution 5 will be included in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

RESOLUTION 6 – Proposed issue of Performance Rights to Mr. Greg Foulis

Resolution 6 seeks approval to issue Performance Rights to Mr. Greg Foulis or an associate of his in accordance with the terms of the Equity Incentive Plan.

The Equity Incentive Plan was approved by Shareholders at the Company's Annual General Meeting held on 26 November 2021. ASX Listing Rule 10.14 provides that a company must not permit a director of that company to acquire equity securities under an employee incentive scheme without the prior approval of the holders of its ordinary securities. The purpose of this resolution is to obtain shareholder approval for the granting of Performance Rights for a director in accordance with Listing Rule 10.14.

The following information is provided for the purposes of ASX Listing Rule 10.15:

- i. Performance Rights are to be issued to Mr. Greg Foulis or an associate of his.
- ii. Mr. Greg Foulis is an independent and non-executive Director of the Company and Chairman of the Board.
- iii. A total of 750,000 Performance Rights in the Company are to be issued to Mr. Foulis or an associate of his.
- iv. Mr. Foulis receives remuneration from the Company in the form of director fees in the amount of \$75,000 inclusive of statutory superannuation.
- v. Mr. Foulis was appointed as a Director on 8 June 2023 and has not previously received any awards under the Equity Incentive Plan.

- vi. Performance Rights, being rights to be issued a share in the Company for nil exercise price upon the satisfaction of certain vesting conditions. The vesting conditions are summarised below:

Percentage of Performance Rights to vest	Vesting Conditions - Performance Milestones:
50%	<p>Achieving Kolosori project development practical completion within seven months from initial drawdown of Glencore project funding.</p> <p>Practical completion is defined as the technical confirmation that the design nameplate capacity 1.5 wet mtpa of the Kolosori Project is demonstrated from mining to stockpiling to loading of a full ship of DSO product at Glencore contract specifications to loading via trans-shipping via barge onto a commercial ship (to ship export DSO to customers).</p> <p>Port capacity achieving annualised loadout capacity of at least 1.3 mtpa with six continuous shipments within 4 months of Practical completion.</p>
20%	Financing secured for development capital of Jejevo Project sufficient to commence commercial operations
30%	Volume Weighted Average Price of the Company's share price of not less than \$0.15 over a period of 3 consecutive months

Performance Rights have been proposed for Mr. Foulis as the Board (excluding Mr. Foulis) consider that it is desirable to provide Mr. Foulis with the opportunity to be issued an equity-based incentive in order to strengthen the link between him and Company. The object of providing Mr. Foulis with an equity-based incentive is to encourage greater interest on his part in the performance and success of the Company by providing him with the opportunity to acquire securities in the Company subject to achieving the performance milestones set out above. Providing equity-based incentives is a means of recognising the contribution Mr. Foulis to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of equity-based incentives to Mr. Foulis is a cost effective and efficient method for the Company to reward and engage with Mr. Foulis as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The Company has attributed a value of \$31,162.50 to the Performance Rights using a probability weighted valuation analysis with reference to the Company's share price of \$0.09 as at 31 August 2023 being the date on which the Board resolved to propose the issue of these Performance Rights to shareholders for their consideration.

- vii. Subject to approval of Resolution 6, it is anticipated that the Performance Shares will be issued to Mr. Foulis or an associate of his not later than 1 month after the date of the meeting.
- viii. The Performance Rights are to be issued to Mr. Foulis or an associate of his for nil consideration and no funds will be raised by the issue of the Performance Rights or upon the subsequent issue of shares in the event that the Performance Milestones are achieved.
- ix. The material terms of the Equity Incentive Plan are set out in Annexure A. to this Explanatory Memorandum.
- x. No loan of any sort is to be provided to Mr. Foulis in respect of the Performance Rights to be issued to him pursuant to this Resolution 6.
- xi. Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution 6 is approved and who have not been named in this Notice of Meeting will not participate until approval is obtained under that rule.

- xii. A Voting Exclusion Statement is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders do approve Resolution 6 then the Company will be able to complete the proposed issue of Performance Shares to Mr. Foulis as contemplated.

If Shareholders do not approve Resolution 6 then the Company would be unable to complete the proposed issue of Performance Shares to Mr. Foulis as contemplated. The Performance Shares are intended to serve as additional incentive to Mr. Foulis and to further align the interests of Mr. Foulis with those of Shareholders. If Resolution 6 is not approved, then the Company may elect to provide additional cash remuneration to Mr. Foulis which would reduce the cash resources of the Company being available to spend on its operations.

Chapter 2E of the Corporations Act 2001

The proposed issue of Performance Rights under Resolution 6 to Mr. Greg Foulis involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

The Directors of the Company (excluding Mr. Foulis) believe that the issue of Performance Rights is appropriate and reasonable in all circumstances, as they are remuneration in nature and the giving of this remuneration is reasonable given the circumstances of the Company and of Mr. Foulis (including the responsibilities involved in his role as Chairman of the Board). Therefore the Company considers that the grant of the Performance Rights to Mr. Foulis comes within section 211 of the Corporations Act 2001, and shareholder approval is not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Foulis) recommend that shareholders vote in favour of Resolution 6.

RESOLUTION 7 – Proposed issue of Performance Rights to Mr. Geoff Hiller

Resolution 7 seeks approval to issue Performance Rights to Mr. Geoff Hiller or an associate of his in accordance with the terms of the Equity Incentive Plan.

The Equity Incentive Plan was approved by Shareholders at the Company's Annual General Meeting held on 26 November 2021. ASX Listing Rule 10.14 provides that a company must not permit a director of that company to acquire equity securities under an employee incentive scheme without the prior approval of the holders of its ordinary securities. The purpose of this resolution is to obtain shareholder approval for the granting of Performance Rights for a director in accordance with Listing Rule 10.14.

The following information is provided for the purposes of ASX Listing Rule 10.15:

- i. Performance Rights are to be issued to Mr. Geoff Hiller or an associate of his.
- ii. Mr. Geoff Hiller is an executive Director and Chief Executive Officer of the Company.
- iii. A total of 2,500,000 Performance Rights in the Company are to be issued to Mr. Hiller or an associate of his.
- iv. Mr. Hiller receives remuneration from the Company in the form of a salary in the amount of \$266,400 per annum inclusive of statutory superannuation and consulting fees of \$162,000 (excluding GST) per annum.
- v. Mr. Hiller has previously received 2,650,000 Performance Rights approved by shareholders at AGM held 26 November 2021 and issued 22 December 2021 under the Equity Incentive Plan.

- vi. Performance Rights, being rights to be issued a share in the Company for nil exercise price upon the satisfaction of certain vesting conditions. The vesting conditions are summarised below:

Percentage of Performance Rights to vest	Vesting Conditions - Performance Milestones:
50%	<p>Achieving Kolosori project development practical completion within seven months from initial drawdown of Glencore project funding.</p> <p>Practical completion is defined as the technical confirmation that the design nameplate capacity 1.5 wet mtpa of the Kolosori Project is demonstrated from mining to stockpiling to loading of a full ship of DSO product at Glencore contract specifications to loading via trans-shipping via barge onto a commercial ship (to ship export DSO to customers).</p> <p>Port capacity achieving annualised loadout capacity of at least 1.3 mtpa with six continuous shipments within 4 months of Practical completion.</p>
20%	Financing secured for development capital of Jejevo Project sufficient to commence commercial operations
30%	Volume Weighted Average Price of the Company's share price of not less than \$0.15 over a period of 3 consecutive months

Performance Rights have been proposed for Mr. Hiller as the Directors consider that it is desirable to provide Mr. Hiller with the opportunity to be issued an equity-based incentive in order to strengthen the link between him and Company. The object of providing Mr. Hiller with an equity-based incentive is to encourage greater interest on his part in the performance and success of the Company by providing him with the opportunity to acquire securities in the Company subject to achieving the performance milestones set out above. Providing equity-based incentives is a means of recognising the contribution Mr. Hiller to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of equity-based incentives to Mr. Hiller is a cost effective and efficient method for the Company to reward and engage with Mr. Hiller as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The Company has attributed a value of \$103,875 to the Performance Rights using a probability weighted valuation analysis with reference to the Company's share price of \$0.09 as at 31 August 2023 being the date on which the Board resolved to propose the issue of these Performance Rights to shareholders for their consideration.

- vii. Subject to approval of Resolution 7, it is anticipated that the Performance Shares will be issued to Mr. Hiller or an associate of his not later than 1 month after the date of the meeting.
- viii. The Performance Rights are to be issued to Mr. Hiller or an associate of his for nil consideration and no funds will be raised by the issue of the Performance Rights or upon the subsequent issue of shares in the event that the Performance Milestones are achieved.
- ix. The material terms of the Equity Incentive Plan are set out in Annexure A to this Explanatory Memorandum.
- x. No loan of any sort is to be provided to Mr. Hiller in respect of the Performance Rights to be issued to him pursuant to this Resolution 7.
- xi. Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution 7 is approved and who have not been named in this Notice of Meeting will not participate until approval is obtained under that rule.

- xii. A Voting Exclusion Statement is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders do approve Resolution 7 then the Company will be able to complete the proposed issue of Performance Shares to Mr. Hiller as contemplated.

If Shareholders do not approve Resolution 7 then the Company would be unable to complete the proposed issue of Performance Shares to Mr. Hiller as contemplated. The Performance Shares are intended to serve as additional incentive to Mr. Hiller and to further align the interests of Mr. Hiller with those of Shareholders. If Resolution 7 is not approved, then the Company may elect to provide additional cash remuneration to Mr. Hiller which would reduce the cash resources of the Company being available to spend on its operations.

Chapter 2E of the Corporations Act 2001

The proposed issue of Performance Rights under Resolution 7 to Mr. Hiller involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

The Directors of the Company (excluding Mr. Hiller) believe that the issue of Performance Rights is appropriate and reasonable in all circumstances, as they are remuneration in nature and the giving of this remuneration is reasonable given the circumstances of the Company and of Mr. Hiller (including the responsibilities involved in his role as Chief Executive Officer). Therefore the Company considers that the grant of the Performance Rights to Mr. Hiller comes within section 211 of the Corporations Act 2001, and shareholder approval is not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Hiller) recommend that shareholders vote in favour of Resolution 7.

RESOLUTION 8 – Proposed issue of Performance Rights to Mr. Terry Cuthbertson

Resolution 8 seeks approval to issue Performance Rights to Mr. Terry Cuthbertson or an associate of his in accordance with the terms of the Equity Incentive Plan.

The Equity Incentive Plan was approved by Shareholders at the Company's Annual General Meeting held on 26 November 2021. ASX Listing Rule 10.14 provides that a company must not permit a director of that company to acquire equity securities under an employee incentive scheme without the prior approval of the holders of its ordinary securities. The purpose of this resolution is to obtain shareholder approval for the granting of Performance Rights for a director in accordance with Listing Rule 10.14.

The following information is provided for the purposes of ASX Listing Rule 10.15:

- i. Performance Rights are to be issued to Mr. Terry Cuthbertson or an associate of his.
- ii. Mr. Terry Cuthbertson is an independent and non-executive Director of the Company. Mr. Cuthbertson was Chairman of the Board from July 2013 to 8 June 2023. Mr. Cuthbertson is a member and Chairman of the Remuneration Committee and a member of the Audit Committee.
- iii. A total of 750,000 Performance Rights in the Company are to be issued to Mr. Cuthbertson or an associate of his.
- iv. Mr. Cuthbertson receives remuneration from the Company in the form of director fees in the amount of \$50,000 inclusive of statutory superannuation.
- v. Mr. Cuthbertson has not previously received any awards under the Equity Incentive Plan.

- vi. Performance Rights, being rights to be issued a share in the Company for nil exercise price upon the satisfaction of certain vesting conditions. The vesting conditions are summarised below:

Percentage of Performance Rights to vest	Vesting Conditions - Performance Milestones:
50%	<p>Achieving Kolosori project development practical completion within seven months from initial drawdown of Glencore project funding.</p> <p>Practical completion is defined as the technical confirmation that the design nameplate capacity 1.5 wet mtpa of the Kolosori Project is demonstrated from mining to stockpiling to loading of a full ship of DSO product at Glencore contract specifications to loading via trans-shipping via barge onto a commercial ship (to ship export DSO to customers).</p> <p>Port capacity achieving annualised loadout capacity of at least 1.3 mtpa with six continuous shipments within 4 months of Practical completion.</p>
20%	Financing secured for development capital of Jejevo Project sufficient to commence commercial operations
30%	Volume Weighted Average Price of the Company's share price of not less than \$0.15 over a period of 3 consecutive months

Performance Rights have been proposed for Mr. Cuthbertson as the Board (excluding Mr. Cuthbertson) consider that it is desirable to provide Mr. Cuthbertson with the opportunity to be issued an equity-based incentive in order to strengthen the link between him and Company. The object of providing Mr. Cuthbertson with an equity-based incentive is to encourage greater interest on his part in the performance and success of the Company by providing him with the opportunity to acquire securities in the Company subject to achieving the performance milestones set out above. Providing equity-based incentives is a means of recognising the contribution Mr. Cuthbertson to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of equity-based incentives to Mr. Cuthbertson is a cost effective and efficient method for the Company to reward and engage with Mr. Cuthbertson as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The Company has attributed a value of \$31,162.50 to the Performance Rights using a probability weighted valuation analysis with reference to the Company's share price of \$0.09 as at 31 August 2023 being the date on which the Board resolved to propose the issue of these Performance Rights to shareholders for their consideration.

- vii. Subject to approval of Resolution 8, it is anticipated that the Performance Shares will be issued to Mr. Cuthbertson or an associate of his not later than 1 month after the date of the meeting.
- viii. The Performance Rights are to be issued to Mr. Cuthbertson or an associate of his for nil consideration and no funds will be raised by the issue of the Performance Rights or upon the subsequent issue of shares in the event that the Performance Milestones are achieved.
- ix. The material terms of the Equity Incentive Plan are set out in Annexure A. to this Explanatory Memorandum.
- x. No loan of any sort is to be provided to Mr. Cuthbertson in respect of the Performance Rights to be issued to him pursuant to this Resolution 8.
- xi. Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution 8 is approved and who have not been named in this Notice of Meeting will not participate until approval is obtained under that rule.

- xii. A Voting Exclusion Statement is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders do approve Resolution 8 then the Company will be able to complete the proposed issue of Performance Shares to Mr. Foulis as contemplated.

If Shareholders do not approve Resolution 8 then the Company would be unable to complete the proposed issue of Performance Shares to Mr. Cuthbertson as contemplated. The Performance Shares are intended to serve as additional incentive to Mr. Cuthbertson and to further align the interests of Mr. Cuthbertson with those of Shareholders. If Resolution 8 is not approved, then the Company may elect to provide additional cash remuneration to Mr. Cuthbertson which would reduce the cash resources of the Company being available to spend on its operations.

Chapter 2E of the Corporations Act 2001

The proposed issue of Performance Rights under Resolution 8 to Mr. James Cuthbertson involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

The Directors of the Company (excluding Mr. Cuthbertson) believe that the issue of Performance Rights is appropriate and reasonable in all circumstances, as they are remuneration in nature and the giving of this remuneration is reasonable given the circumstances of the Company and of Mr. Cuthbertson (including the responsibilities involved in his role as a member and Chairman of the Remuneration Committee and a member of the Audit Committee). Therefore the Company considers that the grant of the Performance Rights to Mr. Cuthbertson comes within section 211 of the Corporations Act 2001, and shareholder approval is not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Cuthbertson) recommend that shareholders vote in favour of Resolution 8.

RESOLUTION 9 – Proposed issue of Performance Rights to Mr. James Dean

Resolution 9 seeks approval to issue Performance Rights to Mr. James Dean or an associate of his in accordance with the terms of the Equity Incentive Plan.

The Equity Incentive Plan was approved by Shareholders at the Company's Annual General Meeting held on 26 November 2021. ASX Listing Rule 10.14 provides that a company must not permit a director of that company to acquire equity securities under an employee incentive scheme without the prior approval of the holders of its ordinary securities. The purpose of this resolution is to obtain shareholder approval for the granting of Performance Rights for a director in accordance with Listing Rule 10.14.

The following information is provided for the purposes of ASX Listing Rule 10.15:

- i. Performance Rights are to be issued to Mr. James Dean or an associate of his.
- ii. Mr. James Dean is an independent and non-executive Director of the Company and Chairman of the Audit Committee.
- iii. A total of 750,000 Performance Rights in the Company are to be issued to Mr. Dean or an associate of his.
- iv. Mr. Dean receives remuneration from the Company in the form of director fees in the amount of \$50,000 inclusive of statutory superannuation.
- v. Mr. Dean has not previously received any awards under the Equity Incentive Plan.

- vi. Performance Rights, being rights to be issued a share in the Company for nil exercise price upon the satisfaction of certain vesting conditions. The vesting conditions are summarised below:

Percentage of Performance Rights to vest	Vesting Conditions - Performance Milestones:
50%	<p>Achieving Kolosori project development practical completion within seven months from initial drawdown of Glencore project funding.</p> <p>Practical completion is defined as the technical confirmation that the design nameplate capacity 1.5 wet mtpa of the Kolosori Project is demonstrated from mining to stockpiling to loading of a full ship of DSO product at Glencore contract specifications to loading via trans-shipping via barge onto a commercial ship (to ship export DSO to customers).</p> <p>Port capacity achieving annualised loadout capacity of at least 1.3 mtpa with six continuous shipments within 4 months of Practical completion.</p>
20%	Financing secured for development capital of Jejevo Project sufficient to commence commercial operations
30%	Volume Weighted Average Price of the Company's share price of not less than \$0.15 over a period of 3 consecutive months

Performance Rights have been proposed for Mr. Dean as the Board (excluding Mr. Dean) consider that it is desirable to provide Mr. Dean with the opportunity to be issued an equity-based incentive in order to strengthen the link between him and Company. The object of providing Mr. Dean with an equity-based incentive is to encourage greater interest on his part in the performance and success of the Company by providing him with the opportunity to acquire securities in the Company subject to achieving the performance milestones set out above. Providing equity-based incentives is a means of recognising the contribution Mr. Dean to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of equity-based incentives to Mr. Dean is a cost effective and efficient method for the Company to reward and engage with Mr. Dean as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The Company has attributed a value of \$31,162.50 to the Performance Rights using a probability weighted valuation analysis with reference to the Company's share price of \$0.09 as at 31 August 2023 being the date on which the Board resolved to propose the issue of these Performance Rights to shareholders for their consideration.

- vii. Subject to approval of Resolution 9, it is anticipated that the Performance Shares will be issued to Mr. Dean or an associate of his not later than 1 month after the date of the meeting.
- viii. The Performance Rights are to be issued to Mr. Dean or an associate of his for nil consideration and no funds will be raised by the issue of the Performance Rights or upon the subsequent issue of shares in the event that the Performance Milestones are achieved.
- ix. The material terms of the Equity Incentive Plan are set out in Annexure A. to this Explanatory Memorandum.
- x. No loan of any sort is to be provided to Mr. Dean in respect of the Performance Rights to be issued to him pursuant to this Resolution 9.
- xi. Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution 9 is approved and who have not been named in this Notice of Meeting will not participate until approval is obtained under that rule.

- xii. A Voting Exclusion Statement is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders do approve Resolution 9 then the Company will be able to complete the proposed issue of Performance Shares to Mr. Dean as contemplated.

If Shareholders do not approve Resolution 9 then the Company would be unable to complete the proposed issue of Performance Shares to Mr. Dean as contemplated. The Performance Shares are intended to serve as additional incentive to Mr. Dean and to further align the interests of Mr. Dean with Shareholders. If Resolution 9 is not approved, then the Company may elect to provide additional cash remuneration to Mr. Dean which would reduce the cash resources of the Company being available to spend on its operations.

Chapter 2E of the Corporations Act 2001

The proposed issue of Performance Rights under Resolution 9 to Mr. James Dean involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

The Directors of the Company (excluding Mr. Dean) believe that the issue of Performance Rights is appropriate and reasonable in all circumstances, as they are remuneration in nature and the giving of this remuneration is reasonable given the circumstances of the Company and of Mr. Dean (including the responsibilities involved in his role as Chairman of the Audit Committee). Therefore the Company considers that the grant of the Performance Rights to Mr. Dean comes within section 211 of the Corporations Act 2001, and shareholder approval is not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Dean) recommend that shareholders vote in favour of Resolution 9.

RESOLUTION 10 – Proposed issue of Performance Rights to Mr. Robert Thomson

Resolution 10 seeks approval to issue Performance Rights to Mr. Robert Thomson or an associate of his in accordance with the terms of the Equity Incentive Plan.

The Equity Incentive Plan was approved by Shareholders at the Company's Annual General Meeting held on 26 November 2021. ASX Listing Rule 10.14 provides that a company must not permit a director of that company to acquire equity securities under an employee incentive scheme without the prior approval of the holders of its ordinary securities. The purpose of this resolution is to obtain shareholder approval for the granting of Performance Rights for a director in accordance with Listing Rule 10.14.

The following information is provided for the purposes of ASX Listing Rule 10.15:

- i. Performance Rights are to be issued to Mr. Robert Thomson or an associate of his.
- ii. Mr. Robert Thomson is an executive Director of the Company.
- iii. A total of 2,000,000 Performance Rights in the Company are to be issued to Mr. Thomson or an associate of his.
- iv. Mr. Thomson receives remuneration from the Company in the form of salary in the amount of \$50,000 per annum inclusive of statutory superannuation and consulting fees of \$90,000 (excluding GST) per annum.
- v. Mr. Thomson has not previously received any awards under the Equity Incentive Plan.

- vi. Performance Rights, being rights to be issued a share in the Company for nil exercise price upon the satisfaction of certain vesting conditions. The vesting conditions are summarised below:

Percentage of Performance Rights to vest	Vesting Conditions - Performance Milestones:
50%	<p>Achieving Kolosori project development practical completion within seven months from initial drawdown of Glencore project funding.</p> <p>Practical completion is defined as the technical confirmation that the design nameplate capacity 1.5 wet mtpa of the Kolosori Project is demonstrated from mining to stockpiling to loading of a full ship of DSO product at Glencore contract specifications to loading via trans-shipping via barge onto a commercial ship (to ship export DSO to customers).</p> <p>Port capacity achieving annualised loadout capacity of at least 1.3 mtpa with six continuous shipments within 4 months of Practical completion.</p>
20%	Financing secured for development capital of Jejevo Project sufficient to commence commercial operations
30%	Volume Weighted Average Price of the Company's share price of not less than \$0.15 over a period of 3 consecutive months

Performance Rights have been proposed for Mr. Thomson as the Directors consider that it is desirable to provide Mr. Thomson with the opportunity to be issued an equity-based incentive in order to strengthen the link between him and Company. The object of providing Mr. Thomson with an equity-based incentive is to encourage greater interest on his part in the performance and success of the Company by providing him with the opportunity to acquire securities in the Company subject to achieving the performance milestones set out above. Providing equity-based incentives is a means of recognising the contribution Mr. Thomson to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of equity-based incentives to Mr. Thomson is a cost effective and efficient method for the Company to reward and engage with Mr. Thomson as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The Company has attributed a value of \$83,100 to the Performance Rights using a probability weighted valuation analysis with reference to the Company's share price of \$0.09 as at 31 August 2023 being the date on which the Board resolved to propose the issue of these Performance Rights to shareholders for their consideration.

- vii. Subject to approval of Resolution 10, it is anticipated that the Performance Shares will be issued to Mr. Thomson or an associate of his not later than 1 month after the date of the meeting.
- viii. The Performance Rights are to be issued to Mr. Thomson or an associate of his for nil consideration and no funds will be raised by the issue of the Performance Rights or upon the subsequent issue of shares in the event that the Performance Milestones are achieved.
- ix. The material terms of the Equity Incentive Plan are set out in Annexure A. to this Explanatory Memorandum.
- x. No loan of any sort is to be provided to Mr. Thomson in respect of the Performance Rights to be issued to him pursuant to this Resolution 10.
- xi. Details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution 10 is approved and who have not been named in this Notice of Meeting will not participate until approval is obtained under that rule.

- xii. A Voting Exclusion Statement is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders do approve Resolution 10 then the Company will be able to complete the proposed issue of Performance Shares to Mr. Thomson as contemplated.

If Shareholders do not approve Resolution 10 then the Company would be unable to complete the proposed issue of Performance Shares to Mr. Thomson as contemplated. The Performance Shares are intended to serve as additional incentive to Mr. Thomson and to further align the interests of Mr. Thomson with those of Shareholders. If Resolution 10 is not approved, then the Company may elect to provide additional cash remuneration to Mr. Thomson which would reduce the cash resources of the Company being available to spend on its operations.

Chapter 2E of the Corporations Act 2001

The proposed issue of Performance Rights under Resolution 10 to Mr. Robert Thomson involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

The Directors of the Company (excluding Mr. Thomson) believe that the issue of Performance Rights is appropriate and reasonable in all circumstances, as they are remuneration in nature and the giving of this remuneration is reasonable given the circumstances of the Company and of Mr. Thomson (including the responsibilities involved in his role as Chairman of the Board). Therefore the Company considers that the grant of the Performance Rights to Mr. Thomson comes within section 211 of the Corporations Act 2001, and shareholder approval is not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Thomson) recommend that shareholders vote in favour of Resolution 10.

GLOSSARY:

Associate	has the meaning given in the ASX Listing Rules.
ASX	means ASX Limited ABN 98 008 624 691 or the securities market which it operates, as the context requires.
ASX Listing Rules or Listing Rules	means the listing rules of the ASX.
Board	means the board of directors of the Company.
Company	means Pacific Nickel Mines Limited.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Equity Incentive Plan	means the Equity Incentive Plan approved by shareholders at the Company's Annual General Meeting on 26 November 2021.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Listing Rules	means the official listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Placement	Means the placement of 75,357,144 Shares at \$0.07 to raise \$5,275,000 as announced to the ASX on 17 October 2022.
Proxy Form	means the proxy form accompanying this Notice of Meeting.
Resolution	means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.
Shares	means fully paid ordinary shares issued in the capital of the Company.
Shareholder	means a person who is the registered holder of Shares.

Annexure A: Summary of Equity Incentive Plan Rules

1. Object

The object of the Plan is to encourage greater interest on the part of Company employees in the performance and success of the Company and its subsidiaries, by providing employees with the opportunity to acquire securities in the Company.

2. Awards

Under the Plan, Participants (as defined in section 4 below) will, at the discretion of the Board, be granted incentive awards (**Awards**) which may comprise:

- (a) options to subscribe for fully paid ordinary shares in the Company (**Shares**) on payment of an exercise price and subject to certain vesting, sale and disposal conditions (**Options**);
- (b) performance rights, being rights to be issued a Share for nil exercise price upon the satisfaction of certain vesting conditions and which may have restrictions on their sale and disposal (**Performance Rights**);
- (c) Shares issued to Participants in accordance with relevant tax legislation:
 - (i) who elect to receive Shares in lieu of their wages, salary, director's fees or other remuneration;
 - (ii) by the Company in its discretion, in addition to their wages, salary and remuneration or in lieu of any discretionary cash bonus or other incentive payment; and

which may be subject to forfeiture failing satisfaction of certain vesting conditions (**Deferred Share Awards**); and/or

- (d) Shares issued for no consideration or at an issue price which is a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the relevant tax legislation from time to time) of the total value or discount received by the Participants will be exempt from tax (**Exempt Share Awards**).

3. Acquisition Loans

In addition to the Awards, the Board in its discretion may offer a Participant, at the time the Participant is to acquire a Share as part of an Award, a limited recourse loan to assist the Participant with the relevant share acquisition (**Acquisition Loan**). An Acquisition Loan will be subject to certain terms and conditions determined by the Board, including the following:

- (a) it will bear interest at a rate that the Board determines; and
- (b) the Participant will be required to repay the Acquisition Loan in full on the earlier of (**Loan Expiry Date**):
 - (i) the date on which the Participant ceases to be employed by the Company;
 - (ii) the sale of the relevant Shares; and
 - (iii) such date nominated by the Company in the loan offer.

If a Participant fails to repay an Acquisition Loan by the Loan Expiry Date, the Company may at its discretion sell the relevant Shares on behalf of the Participant and apply the sale proceeds towards repayment of the Acquisition Loan. A Participant can also elect to repay all or part of the Acquisition Loan at any time before the Loan Expiry Date.

4. Eligibility

Any person who is an employee, officer, director or consultant (**Employee**) of the Company and/or any of its associated bodies corporate (**Group Company**) and:

- (a) to whom, or who falls within a class of Employees to whom, the Board determines to make an offer or issue an Award under the Plan (**Offer**); or
- (b) who satisfies any eligibility criteria that the Board determines for a proposed Offer under the Plan,

is deemed an "**Eligible Employee**" and is permitted to participate in the Plan. Eligible Employees to whom Awards are granted are deemed "**Participants**".

5. Limits on Awards granted

Under the Plan rules, an Offer will not be made if, at the time of making the Offer, the total number of Shares (or, in respect of Options or Performance Rights, the total number of Shares which would be issued if those Options and Performance Rights were exercised) will exceed 5% of the total number of Shares on issue in the Company when aggregated with the

number of Shares issued or that may be issued as a result of Offers made at any time during the previous 3 year period under the Plan. Notwithstanding, the following Offers are not taken into account when determining the 5% limitation:

- (a) Offers to a person outside Australia at the time of receipt of the Offer;
- (b) Offers that did not need disclosure to a person or that did not require the giving of a Product Disclosure Statement because of the operation of section 708 and 1012D of the *Corporations Act 2001* (Cth) (**Act**), respectively; or
- (c) Offers made under a disclosure document of Product Disclosure Statement, as defined in the Act.

6. Cashless Exercise and Settling of Awards

- (a) The Board may determine in its absolute discretion that a Participant is not required to provide payment of an exercise price of Options issued as part of an Award or any tax liability arising in connection with the exercise of the Options, and instead the Company will only allot and issue or transfer that number of Shares to the Participant that are equal in value to the difference between the exercise price otherwise payable (together with any applicable tax liability) and the then-market price of Shares at the time of exercise.
- (b) If the Board determines that for a taxation, legal, regulatory or compliance reason it is not appropriate to issue or transfer Shares to a Participant, the Company may in lieu and final satisfaction of the Company's obligation to issue or transfer Shares under the Plan, make a cash payment to the Participant equal to the Fair Market Value as at the date of exercise, less any unpaid exercise price applicable to the award, multiplied by the relevant number of Shares required to be issued or transferred to the Participant. "**Fair Market Value**" is defined in the Plan as the closing sales price per Share on the relevant date on ASX, or if there is no such sale on the relevant date, then the last previous day on which a sale is reported.

7. Quotation of Shares

Whilst the Company remains a listed entity, the Company will (unless otherwise resolved by the Board) apply for official quotation of Shares allotted to Participants under the Plan.

8. Entitlements of Participants

Any Shares issued by the Company to a Participant under the Plan will rank equally with all existing Shares at the time of issue. With respect to these Shares, the Participant will be entitled to the following:

- (a) receive dividends declared and distributed by the Company on the Shares issued under the Plan (**Plan Shares**) with an exception to Shares which are subject of an Acquisition Loan. Before the Acquisition Loan is repaid in full, any dividend paid on the Shares which remain subject of the Acquisition Loan at the time dividends are declared will be applied towards repaying the Acquisition Loan (on a notional after-tax basis). The balance of the dividend will then be paid to the Participant to fund their tax liability on the dividends received;
- (b) participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant and such participation must be in respect of all Plan Shares held by the Participant; and
- (c) exercise any voting rights attaching to Plan Shares registered in the Participant's name.

9. Dealing, Vesting, Exercise and Adjustment

Dealing

Participants must not sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Options, Performance Rights, or any Shares issued on exercise of an Option or a Performance, granted under the Plan for a period specified in the relevant Offer.

Vesting

Awards only vest if the applicable vesting conditions are satisfied or waived by the Board. If vesting conditions or other vesting events are not specified in the Offer and the Offer does not expressly state to the effect that no vesting conditions apply, then Options or Performance Rights offered under the Plan are subject to the following vesting conditions:

- (a) the Options or Performance Rights only vest if at the applicable vesting the Participant either:
 - (i) remains an Employee of a member of the Group Company; or
 - (ii) ceased to do so before the applicable vesting date in circumstances where the person was a Good Leaver (where the Participant's ceasing to be Employee as a result of total or permanent disablement, genuine

redundancy, death or other factors that the Board in its discretion determines to constitute sufficient reason to treat the Participant as a good leaver); and

- (b) the Options or Performance Rights vest in equal one-third tranches on the first, second and third anniversaries of the grant date of the Awards (or of another date specified in the Offer for this purpose).

The vesting of an Award on the satisfaction of any vesting conditions will not automatically trigger the exercise of the Award unless specified in the Offer. Participants will generally need to take steps to exercise an Award granted under the Plan.

Exercise

Vested Options and Performance Rights can only be exercised during the exercise period specified in the relevant Offer. The exercise price per Share in respect of an Option and Performance Right will be determined by the Board and set out in the Offer. Upon exercise, one Share in the Company will be issued to the Participant for each exercised Option or converted Performance Right.

Adjustment

Options, Performance Rights and other Awards entitling a Participant to acquire Shares in the future will be adjusted in the event that the Company undergoes a reconstruction of capital to the extent necessary to comply with the Listing Rules.

10. Cessation of Employment

Where a Participant ceases to be an Employee of a member of the Company Group for any reason, the Board will determine, in its sole and absolute discretion, the manner in which any Award granted to the Participant which is unvested at the date of cessation of employment will be dealt with.

11. Restrictions on Hedging

Participants must not enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Awards.

12. Clawback

If an event occurs which means vesting conditions were not or should not have been waived, or determined to have been satisfied (including where decision of the Company to waive a vesting condition, was contributed to by the Participant's fraud, unlawful behaviour, wilful default, or conduct in material breach of the Company's policies and codes of conduct) the Company may:

- (a) determine that all or some of the Awards held by the Participant immediately expire and are incapable of being exercised;
- (b) require the Participant to transfer any or all Shares issued upon the exercise of the relevant Award on terms, and to a person, determined by the Company; and/or
- (c) require the Participant to pay the Company any:
 - (i) proceeds received from the sale of any Shares issued upon the exercise of the Awards; and
 - (ii) any distributions or dividends paid on Shares issued upon the exercise of the Awards.

13. Commencement, Suspension, Termination or Amendment of Plan

Subject to any required resolution of the Company, the Plan will take effect when the Board decides, and the Plan may be suspended, terminated or amended at any time by the Board.

Need assistance?



Phone:
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AEDT) on Monday, 27 November 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

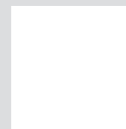
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 183323

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Pacific Nickel Mines Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Pacific Nickel Mines Limited to be held at Computershare Investor Services Pty Limited, Level 3, 60 Carrington Street, Sydney, NSW 2000 on Wednesday, 29 November 2023 at 2:00pm (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 6, 7, 8, 9 and 10 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 6, 7, 8, 9 and 10 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 6, 7, 8, 9 and 10 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain			For	Against	Abstain
Item 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 8	Proposed Issue of Performance Rights to a Director, Mr. Terry Cuthbertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Election of Mr. Greg Foulis as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 9	Proposed Issue of Performance Rights to a Director, Mr. James Dean	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Re-Election of Mr. Terry Cuthbertson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 10	Proposed Issue of Performance Rights to a Director, Mr. Robert Thomson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Re-Election of Mr. Robert Thomson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Item 5	Ratify Previous Issue of Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Item 6	Proposed Issue of Performance Rights to a Director, Mr. Greg Foulis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Item 7	Proposed Issue of Performance Rights to a Director, Mr. Geoff Hiller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically