



Montem Resources

MONTEM RESOURCES LIMITED
ACN 623 236 831

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 30 April 2021

Time of Meeting:
11.00AM (AEST)

Location:
William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000

The Notice of Meeting and Annual Report is also available on the Australian Securities Exchange platform (ASX: MR1) and on the Company's website <http://montem-resources.com/>

This Notice of Annual General Meeting and Explanatory Statement 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 advisor without delay.

MONTM RESOURCES LIMITED

ACN 623 236 831

Registered office: Level 4, 100 Albert Road, South Melbourne, VIC 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of Shareholders of Montem Resources Limited ACN 623 236 831 (the "Company") will be held at the offices of William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000 at 11.00am (AEST) on Friday, 30 April 2021 ("Annual General Meeting", "AGM" or "Meeting").

While the COVID-19 situation remains uncertain, the Company encourages shareholders to consider attending the meeting online rather than in person. Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice, even if they are planning on attending the meeting in person. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by mail or email.

The AGM will be held as a hybrid meeting, and shareholders will be able to participate in a live webinar of the meeting online where shareholders will be able to participate, ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

The live webinar can be attended using the following details:

When: Friday, 30 April 2021 at 11.00am (AEST)
Topic: Montem Resources Limited Annual General Meeting

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_eL7zi1F4RS2fRQUAE-lpYw

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to secretary@montem-resources.com. Where a written question is raised in respect of the key management personnel of the Company or the resolutions to be considered at the AGM, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to ASX.

Any Shareholders who wish to physically attend the AGM should be mindful of new laws, government warnings and recommendations in relation to COVID-19 and monitor the Company's website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: MR1) and on its website at <http://montem-resources.com/>.

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

ORDINARY BUSINESS

Receipt and consideration of accounts and reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors, for the financial year ended 31 December 2020.

Note: Exception for Resolution 1, there is no requirement for Shareholders to approve the Financial Report, Directors' Report and the Auditors' Report. Accordingly, no resolution will be put to Shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial period ended 31 December 2020 be adopted."

Notes: In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remunerations policies.

A voting exclusion statement as set out below in this Notice applies to Resolution 1.

Resolution 2: Re-election of Ms Susie Henderson as a Director of the Company

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

"That Ms Susie Henderson who retires by rotation as a Director in accordance with the Constitution of the Company and being eligible for re-election, be re-elected as a Director of the Company."

There are no voting exclusions on Resolution 2.

Resolution 3: Ratification of prior issue of Placement Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and confirm the prior issue of 30,394,021 fully paid ordinary shares each at an issue price of \$0.17 per share to professional and sophisticated investors on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement as set out below in this Notice applies to Resolution 3.

Resolution 4: Refresh of Employee Incentive Plan

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

"That the Company's employee share scheme known as the "Employee Incentive Plan" (EIP), a summary of which is included in the Explanatory Statement, be approved for all purposes under the Corporations Act and Listing Rules, including:

- (a) approval of the issue of securities under the EIP for the purposes of Listing Rule 7.2 exception 13(b);*
- (b) approval for the Company to take security over its own shares under the EOP for the purposes of section 259B(2) of the Corporations Act; and*

(c) approval for the Company or any of its subsidiaries giving financial assistance (as defined in the Corporations Act) under the EIP for the purposes of section 260C(4) of the Corporations Act;

as described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”
A voting exclusion statement as set out below in this Notice applies to this Resolution

Resolution 5: Approval to grant Options to Mr Mark Lochtenberg (or his nominee)

To consider and, if thought fit, 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 to grant up to 175,097 Options in the Company to Mr Mark Lochtenberg or his nominee(s) (Non-Executive Chair of the Company) pursuant to the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 6: Approval to grant Options to Mr Peter Doyle (or his nominee)

To consider and, if thought fit, 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 to grant up to 700,389 Options in the Company to Mr Peter Doyle or his nominee(s) (Managing Director and CEO of the Company) pursuant to the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 7: Approval to grant Options to Mr Robert Tindall (or his nominee)

To consider and, if thought fit, 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 to grant up to 466,926 Options in the Company to Mr Robert Tindall or his nominee(s) (a Non-Executive Director of the Company) pursuant to the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 8: Approval to grant Options to Ms Susie Henderson (or her nominee)

To consider and, if thought fit, 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 to grant up to 175,097 Options in the Company to Ms Susie Henderson or her nominee(s) (a Non-Executive Director of the Company) pursuant to the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 9: Approval to grant Options to Mr William Souter (or his nominee)

To consider and, if thought fit, 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 to grant up to 175,097 Options in the Company to Mr William Souter or his nominee(s) (a Non-Executive Director of the Company) pursuant to the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

SPECIAL BUSINESS

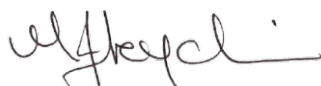
Resolution 10: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

“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 the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the AGM, at an issue price of not less than that determined pursuant to ASX Listing Rule 7.1A.3 and on the terms and conditions in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

A voting exclusion does not apply to this Resolution.

By the order of the Board



Melanie Leydin

Company Secretary

Dated: 23 March 2021

Notes

1. **Entire Notice:** The details of the Resolution contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting on 28 April 2021. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting. On a poll, members have one vote for every fully paid ordinary share held.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each Shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a Shareholder of the Company.
 - d. If a Shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution.
 - e. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, proxy forms must be received by the Company no later than 48 hours before the commencement of the Annual General Meeting, this is no later than **11.00am (AEST) on 28 April 2021**. Any proxy received after that time will not be valid for the scheduled meeting.

4. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

5. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

6. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this Resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- a. the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- b. the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - i. does not specify the way the proxy is to vote on the resolution; and
 - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on this Resolution, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There are no voting exclusions on this resolution.

Resolution 3

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

However, the Company need not disregard a vote cast in favour of this Resolution by:

- a. a person as a proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- b. 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
- 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:
 - 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.

Resolution 4

The Company will disregard any votes cast in favour of this Resolution by a person who is eligible to participate in the Employee Incentive Plan or any associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

- a. a person as a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- b. 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
- 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:
 - 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.

As this Resolution may be considered to relate to the remuneration of a member of the KMP for the Company, the Company will disregard all votes cast on this Resolution by a member of the KMP or a Closely Related Party of a KMP, who has been appointed as a proxy unless:

- a. the proxy is appointed by writing that specifies how the proxy is to vote on that Resolution; or
- b. if the proxy is the Chair and the appointment of the Chair as a proxy does not specify the way the proxy is to vote on that Resolution but it expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is party of a consolidated entity, for the entity.

Given the Directors are eligible to participate in the Employee Incentive Plan, the Directors will not be voting on this Resolution.

Resolutions 5 to 9

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of:

- a. any of the following who is eligible to participate in the Company's Employee Option Plan:
 - (i) A director of the Company;
 - (ii) an associate of a director of the Company; or
 - (iii) any person whose relationship with the Company or a person referred to in preceding paragraphs (i) or (ii) is such that, in ASX's opinion, any acquisition of should be approved by +security holders
- b. an associate of the person/s referred to in the preceding paragraph (a).

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

- a. 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; or
- b. 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
- 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:
 - 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.

Furthermore, a vote must not be cast as proxy on any of these Resolutions by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described in the preceding paragraph above (a "**Restricted Voter**") may cast a vote on any Resolutions 5 to 9 as a proxy if:

- a. The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution(s); or
- b. The Chair is the Restricted Voter and the written appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution(s) and expressly authorises the Chair to exercise the proxy even though the Resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

Resolution 10

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement on this Resolution is not required by Listing Rule 7.3A.7.

7. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on +61(3) 9692 7222 if they have any queries in respect of the matters set out in this Notice.

EXPLANATORY STATEMENT

Introduction

This Explanatory Statement ("**Statement**") is included in and forms part of the Notice of Meeting. The purpose of this Explanatory Statement is to provide Shareholders with information they require in order to make an informed decision on the Resolution.

If you are in doubt as to how to vote, you should seek advice from your accountant, solicitor, tax advisor or other professional adviser prior to voting. It is important that you read this Explanatory Statement in its entirety for a detailed explanation of the Resolution.

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

The Notice incorporates, and should be read together with this Statement.

Receipt and Consideration of Accounts and Reports

A copy of the Annual Report for the financial year ending 31 December 2020 which incorporates the Company's Financial Report and the Directors' Report (including the Remuneration Report and the Auditors' Report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: <https://montem-resources.com/> or via the Company's announcement platform on ASX (ASX: MR1). Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that, in accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that Shareholders vote in favour of this Resolution to adopt the Remuneration Report.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Re-election of Ms Susie Henderson as a Director of the Company

Background

Pursuant to clause 21.2 of the Constitution, at least one Director must retire from office at each Annual General Meeting, unless there has been an election of Directors earlier that year. The Company has five directors, one of whom is the Managing Director. Accordingly, one director is required to retire by rotation at the Annual General Meeting. Accordingly, Ms Susie Henderson retires by rotation and, being eligible, offers herself for re-election.

Ms Henderson was appointed as a Non-executive Director on 6 April 2018 and serves as the Chair of the Audit and Risk Committee of the Company. She is a management consultant with focus on infrastructure and mining. Ms Henderson is currently President, Advisory North America for GHD, a global consulting firm and also serves on the Finance Committee of the GHD Board.

Ms Henderson has over 20 years global experience in the field and is highly respected for her strong strategic and commercial positioning skills across a wide range of heavy industries and has a background in operational and financial audit.

She has worked across a variety of jurisdictions in Canada, the United States, Latin America, South East Asia, England, and Australia. Her areas of focus include government, mining/resources, infrastructure/logistics and energy.

She has also recently retired from serving as a board member for Waterfront Toronto and Women in Mining (Canada).

Previous roles include GM – Strategic Infrastructure and Government Relations at Macarthur Coal Ltd, Key Coal Accounts Executive with Aurizon and Project Development Manager with London Underground.

In addition to her degree in Accounting, Ms Henderson has completed the globally recognized and rigorous CPA and AICD Programs as well as being nominated for the EY Entrepreneur of the Year.

Ms Henderson is a Graduate of the Australian Institute of Company Directors and a Certified Practicing Accountant.

Board Recommendation

The Board, with Ms Henderson abstaining, recommends that Shareholders vote in favour of the re-election of Ms Susie Henderson. The Chairman of the Meeting intends to vote undirected proxies in favour of the re-election of Ms Susie Henderson.

Voting Exclusions

There are no voting exclusions on this Resolution.

Resolution 3: Ratification of Placement Shares

Background

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the prior issue of 30,394,021 Shares to professional and sophisticated investors under a Placement in accordance with ASX announcement dated 18 February 2021 at an issue price of \$0.17 per Share (**Placement Shares**). An Appendix 2A in relation to this issue was lodged with the ASX on 26 February 2021.

Resolution 3 is proposed as an ordinary resolution.

Overview of regulatory approval requirements

ASX Listing Rule 7.1 allow the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders. The issue of Shares under the Placement was within the Company's available placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The prior issue of ordinary shares on 26 February 2021 continues to use the capacity of the company to issue further securities without shareholder approval. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

If the shareholders pass this Resolution then the shares issued on 26 February 2021 will no longer use the current capacity of the Company under the ASX Listing Rules and the Company will be able to issue equity securities using the refreshed placement capacity without shareholder approval. If shareholders do not pass this Resolution then the shares issued on 26 February 2021 will continue to use the capacity available to the Company under the ASX Listing Rules.

Specific information

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a. the Placement Shares were issued to clients of Petra Capital who are professional and sophisticated investors;
- b. the number and class of securities issued were 30,394,021 fully paid ordinary shares in the Company;
- c. the Placement Shares were issued on 26 February 2021;
- d. the Placement Shares were issued at a price of \$0.17 (17 cents) per share;
- e. the Placement Shares allotted and issued rank equally with the existing Shares on issue;
- f. the funds raised from the Placement Shares will be used primarily for funding exploration drilling to advance the Chinook scoping study, Tent Mountain permitting and working capital.

Board Recommendation

The Board unanimously recommends that the Shareholders vote in favour of this Resolution. Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 4: Refresh of Employee Incentive Plan

Background

The Company adopted its Employee Incentive Plan (**EIP** or **Employee Incentive Plan**) on 19 January 2018 prior to listing on the ASX in September 2020, the terms of which were included in the Company's Prospectus dated 31 July 2020. The Board is committed to incentivising and retaining the Company's Directors, employees and consultants in a manner which promotes alignment of their interests with shareholder interests. Additionally, the Board considers equity-based compensation an integral component of the Company's remuneration platform as it allows it to be fiscally prudent by conserving cash resources while still enabling it to offer market-competitive remuneration arrangements.

The EIP is regarded as an employee incentive scheme for the purposes of Exception 13 of Listing Rule 7.2. A copy of the EIP will be provided without charge to Shareholders on request.

The EIP is intended to enable participants to share in any increase in the Company's value (as measured by the share price) beyond the date of allocation of the Options. A summary of the EIP is set out in Annexure A of this Explanatory Statement.

Shareholder approval of the EIP and any securities to be issued pursuant to the EIP is sought pursuant to Listing Rule 7.2, Exception 13(b). Further details relating to Listing Rules requirements are set out below.

Any issue of Shares under the EIP to Directors, or their associates, will require approval by Shareholders under Listing Rule 10.14.

As at the date of this Notice, the Company will be able to rely on the relief granted by ASIC Class Order [CO 14/1000] (**Class Order**) so that the Company is not required to issue a prospectus or disclosure document in relation to the issue of securities under the EIP. Under ASIC Class Order [CO 14/1000] (**Class Order**), the Company must not make an offer of under the EIP if the total of:

- (a) the number of Shares which are the subject of the offer; and
- (b) the number of underlying Shares issued or that may be issued as a result of any other offers made under the EIP, or similar offers under a predecessor or other employee incentive plan,

made at any time during the previous 3-year period in reliance of Class Order relief granted by ASIC would exceed 5% of the number of Shares on issue in the Company at the time of the relevant offer.

ASX Listing Rules

As stated in Resolution 3, Listing Rule 7.1 provides generally that a company may not issue shares or securities convertible into shares equal to more than 15% of the company's issued share capital in any consecutive 12 month period without obtaining prior shareholder approval, unless the issue fits into one of the exceptions contained in Listing Rule 7.2. Listing Rule 7.2 Exception 13(b) of the Listing Rules effectively provides that securities issued pursuant to an employee incentive scheme are not included in the 15% Placement Capacity provided the employee incentive scheme and the securities to be issued pursuant to the EIP have been approved by members within the previous 3 years.

Accordingly, Shareholder approval is sought pursuant to this Resolution in order for the Company to continue to be able to issue securities pursuant to the EIP and have those securities qualify under Listing Rule 7.2 exception 13(b) for a further 3 years from the date of approval.

The Board intends that the issue of securities under the EIP continues to not be included when undertaking the calculation of the 15% limit pursuant to Listing Rule 7.1. Accordingly, the Company is seeking Shareholder re-approval of the EIP in order that the issue of securities pursuant to the EIP will continue to qualify as an exception to Listing Rule 7.1 under Exception 13(b) to Listing Rule 7.2.

If Resolution 4 is not passed, any issue of securities under the EIP will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue over any 12 month period without the approval of Shareholders.

Information required for Listing Rule 7.2, Exception 13(b)

Listing Rule 7.2, Exception 13(b) requires the following information to be provided to Shareholders:

Securities already issued under EIP since the Prior Approval

The Company was admitted to the official list of the ASX on 14 September 2020. Since the inception of the EIP in January 2018, the Company has issued 8,175,097 Options and 9,175,097 Performance Rights under the EIP. 2,946,631 Options and 455,387 Performance Rights issued under the EIP have lapsed since being issued. Currently, there are 5,228,466 Options and 8,719,710 Performance Rights on issue pursuant to the EIP.

Maximum number of Equity Securities to be issued under the EIP

Approval of Shareholders is sought to issue up to 23 million Equity Securities under the EIP (Options or Performance Rights each conditionally entitling the applicable holder to one Share upon exercise or achievement of the applicable vesting conditions). Any additional issues of securities under the EIP above that number would require further Shareholder approval, unless the total number of securities proposed to be issued does not exceed 5% of the then issued Shares of the Company. The proposed issue of up to 23 million Equity Securities under the EIP will not exceed the maximum number of Equity Securities issued under the Company's prospectus for the Company's initial public offering on the ASX.

Summary of Terms and Conditions of the EIP

Refer to Annexure A of this Explanatory Statement for a summary of the terms and conditions of the EIP.

Corporations Act provisions

Section 260C(4) of the Corporations Act

If the Company elects to offer a participant the ability to participate in the cashless exercise facility (**Facility**) under the EIP, the Company may be considered to be providing financial assistance to the participant as the Company as, under the Facility, the Company may financially assist EIP participants to acquire shares in the Company.

Under section 260A of the Corporations Act, the Company is prohibited from financially assisting in the acquisition of Shares except in certain limited circumstances or if an exemption from this prohibition applies. However, there is an exemption from the prohibition against financial assistance in section 260C(4) of the Corporations Act for financial assistance provided under an employee share scheme, where the employee share scheme has been approved by shareholders in a general meeting.

Accordingly, the Company is also seeking approval of the EIP for the purposes of section 260C(4) of the Corporations Act.

Directors Recommendations

As the Directors of the Company are excluded from voting on this Resolution pursuant to the Listing Rules, they make no recommendation to the Shareholders in respect of the EIP.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 5 to 9: Issue of Options to Directors of the Company

Background

The Company is seeking Shareholder approval for the grant of Options to the Directors listed below (or their nominee(s)) (being a right to acquire Shares equivalent to number of Options) on the terms as described below. The Options shall be issued under and subject to the terms of the Company's EIP.

Terms of Options

The terms of the Options are:

Terms	Option Recipient
Vesting	<ul style="list-style-type: none"> • 1/3 immediately (Tranche 1) • 1/3 1 year from the date of issue (Tranche 2) • 1/3 2 years from the date of issue (Tranche 3)
Expiry	5 years after grant date
Exercise Price	<ul style="list-style-type: none"> • Tranche 1 - \$0.31 (being 25% premium to the IPO price) • Tranche 2 - \$0.37 (being 50% premium to the IPO price) • Tranche 3 - \$0.50 (being 100% premium to the IPO price)

Proposed Resolution	Option Recipient	Nature	Number of options
5	Mr Mark Lochtenberg (or his nominee)	Managing Director	175,097
6	Mr Peter Doyle (or his nominee)	Non-Executive Chair	700,389
7	Mr Robert Tindall (or his nominee)	Non-Executive Director	466,926
8	Ms Susie Henderson (or her nominee)	Non-Executive Director	175,097
9	Mr William Souter (or his nominee)	Non-Executive Director	175,097

The full terms of the Options are set out in Annexure B of this Explanatory Statement.

Directors' Remuneration Packages and Interests

As at the date of this Notice, the details (including the amount) of the current total remuneration package of each of the Directors to whom (or to whose nominee(s)) Options would be issued if Resolutions 5 to 9 are passed are:

Name of the Director	Nature	Remuneration Package Details
Mr Mark Lochtenberg	Managing Director	AUD\$100,000 (inclusive of superannuation)
Mr Peter Doyle	Non-Executive Chair	CAD\$475,000 (excluding statutory and other required deductions)
Mr Robert Tindall	Non-Executive Director	AUD\$60,000 (inclusive of superannuation)
Ms Susie Henderson	Non-Executive Director	AUD\$45,000 (inclusive of superannuation)
Mr William Souter	Non-Executive Director	AUD\$45,000 (inclusive of superannuation)

The above does not include the proposed Options the subject of the Resolutions 5 to 9.

The Company has obtained an independent assessment of the indicative fair value of the Options as summarised below. The values are indicative only based on assumptions relevant at the date of the calculation, being 11 March 2021. Different assumptions may be relevant at grant date which may alter the value of the Options for financial reporting purposes. The indicative values assume the spot price at the time of the issue of the Options is \$0.15 (15 cents). The total remuneration packages in the above table would be increased for each of the above Directors by the total per Director set out in the following table, based on the assumptions. The actual valuation amount will not be able to be calculated until the Options are issued, when the exercise price will be known (at which time other assumptions may also have changed).

Assessment	
Indicative fair value per Option	Tranche 1 - \$0.077 Tranche 2 - \$0.072 Tranche 3 - \$0.064
Number per Director	Mr Mark Lochtenberg – 175,097 Options Mr Peter Doyle – 700,389 Options Mr Robert Tindall – 466,926 Options Ms Susie Henderson – 175,097 Options Mr William Souter – 175,097 Options
Total \$ per Director	Mr Mark Lochtenberg - \$12,432 Mr Peter Doyle - \$49,728 Mr Robert Tindall - \$33,152 Ms Susie Henderson - \$12,432 Mr William Souter - \$12,432
Total Options	1,692,606
Total \$	\$120,175

The Options were valued using the Black Scholes Pricing model. The assumptions used in the valuation model were as follows:

Assumptions [^] :	
Valuation date	11 March 2021
Spot price (1 October 2020)	\$0.15 (15 cents).0
Exercise price	Tranche 1 - \$0.31 (being 25% premium to the IPO price) Tranche 2 - \$0.37 (being 50% premium to the IPO price) Tranche 3 - \$0.50 (being 100% premium to the IPO price)
Vesting date	1/3 immediately (Tranche 1) 1/3 1 year from the date of issue (Tranche 2) 1/3 2 years from the date of issue (Tranche 3)
Expiry date	5 years after grant
Expected future volatility ⁺	84.00%
Risk free rate	0.08%
Dividend yield	Nil

[^] Based on the issue date being the valuation date.

⁺ Based on assessment of historical volatility since listing, however historical volatility may not be a reasonable proxy for expected future volatility.

As at the date of this Notice, the Directors who are proposed to receive the Options have the following direct and indirect interests in Shares and/or Options of the Company:

Director/Shareholder (and/or associate(s))	Existing		Options (Unquoted)	Performance Rights
	Shares	%		
Mr Mark Lochtenberg	8,782,154	3.77%	175,097	525,097
Mr Peter Doyle	3,569,728	1.53%	1,762,889	3,200,389
Mr Robert Tindall	13,936,864	5.98%	466,926	716,926
Ms Susie Henderson	368,431	0.16%	175,097	425,097
Mr William Souter	341,763	0.14%	175,097	425,097

Following issue of the Options each Director the subject of Resolutions 5 to 9 would hold as follows:

- Mr Mark Lochtenberg would hold 350,194 Options;
- Mr Peter Doyle would hold 2,463,278 Options;
- Mr Robert Tindall would hold 933,852 Options;
- Ms Susie Henderson would hold 350,194 Options; and
- Mr William Souter would hold 350,194 Options;

If each respective Options held by Directors specified above were to be exercised (assuming no other director exercised their Options, and there were no other issues of shares, including those relating to proposed resolutions to be considered at this Meeting), the above percentages would increase as follows:

Director	Existing%	New %	Options (New)
Mr Mark Lochtenberg	3.77%	3.82%	175,097
Mr Peter Doyle	1.53%	1.82%	700,389
Mr Robert Tindall	5.98%	6.14%	466,926
Ms Susie Henderson	0.16%	0.23%	175,097
Mr William Souter	0.14%	0.22%	175,097

Corporations Act

The Board has formed the view that the issues of Options to the above Directors (or their respective nominee(s)) the subject of Resolutions 5 to 9 do not require Shareholder approval under section 208 of the Corporations Act as the issues constitute “reasonable remuneration” in accordance with section 211 of the Corporations Act.

A “financial benefit” is defined in section 229 of the Corporations Act and includes granting an option to a related party.

Section 228 of the Corporations Act defines a “related party” for the purposes of Chapter 2E to include:

- directors of the public company (section 228(2)(a)); and
- an entity controlled by directors of the public company (section 228(4)). Section 228(5) provides that an entity is a related party of a public company at a particular time if the entity was a related party of the public company of a kind referred to in subsection (1), (2), (3) or (4) at any time within the previous 6 months.

In reaching this view, the Board considers the proposed grant of Options aligns the interests of each of the above Directors with the interests of Shareholders. The grant of Options to each of the above Directors is a cost-effective form of remuneration when compared to the payment of cash consideration.

In order to compensate the above Directors in line with current market practices, Options provide an appropriate and meaningful remuneration component to the above Directors that is aligned with Shareholder interests. The proposed base levels of Options of reflect the contributions of each respective Director to the Company.

If these Resolutions are passed and the Options are issued, each of the Directors proposed to receive securities under these Resolutions (including direct and indirect interests) will have a relevant interest as set out in the table on above.

ASX Listing Rule 10.14

The Company is proposing to issue the Options under the Plan, which is an employee incentive scheme as defined in the Listing Rules.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- 10.14.1: a director of the company;
- 10.14.2: an associate of a director of the company; or
- 10.14.3: a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issues of the Options the subject of Resolutions 5 to 9 fall within Listing Rules 10.14.1 and/or 10.14.2 above and therefore require the approval of the Shareholders under Listing Rule 10.14.

Accordingly, Resolutions 5 to 9 seek the required Shareholder approval to the issue under and for the purposes of Listing Rule 10.14.

If Resolutions 5 to 9 are passed, the Company will be able to proceed with the issue of the Options and the Directors (or their nominees) will receive the numbers of Options set out in the table on page 10 with the increase in their remuneration and potential increase in their shareholdings as described on page 12.

If Resolutions 5 to 9 are not passed, the Company will not be able to proceed with the issue of the Options to the applicable Director(s), and the applicable Director(s) (or their nominees) will not receive the Options or potential shareholdings as described on page 10.

If approval is given under ASX Listing Rule 10.14 for Resolutions 5 to 9, approval is not required under ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.15 in respect of the proposed issues of Options to each Director under Resolutions 5, 6, 7, 8 and 9 (respectively):

- (a) the proposed recipients are Mr Mark Lochtenberg, Mr Peter Doyle, Mr Robert Tindall, Ms Susie Henderson and Mr William Souter, each of whom is a Director of the Company, or their respective nominees (each of which would be an associate of the respective Director);
- (b) A total of 1,692,606 Options are proposed to be issued to Directors as follows:
 - Mr Mark Lochtenberg - 175,097 Options
 - Mr Peter Doyle - 700,389 Options
 - Mr Robert Tindall - 466,926 Options
 - Ms Susie Henderson - 175,097 Options
 - Mr William Souter - 175,097 Options
- (c) the current total remuneration packages of each of Mr Mark Lochtenberg, Mr Peter Doyle, Mr Robert Tindall, Ms Susie Henderson and Mr William Souter are set out on page #, above;
- (d) the following securities have previously been issued under the Plan:
 - Mr Mark Lochtenberg - 175,097 Options and 525,097 Performance Rights
 - Mr Peter Doyle - 1,762,889 Options and 3,200,389 Performance Rights
 - Mr Robert Tindall - 466,926 Options and 716,926 Performance Rights

- Ms Susie Henderson - 175,097 Options and 425,097 Performance Rights
- Mr William Souter - 175,097 Options and 425,097 Performance Rights.

- (e) each Option will have an exercise price calculated in accordance with the tables on page 10 and will vest as set out in the table, will expire 5 years after grant date and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company. Full terms of the Options are set out in Annexure A;
- (f) the Company is issuing the Options as a form of Equity Security as a cost effective, non-cash incentive to Directors. The Options will be recognised as an expense to the Company over the vesting period at the independent valuation outlined above.
- (g) the value the Company attributes to the Options is set out on page 11 above;
- (h) the Options will be issued no later than one month after the Meeting;
- (i) the Options will be issued as remuneration. As such there is no issue price for, and the Company will not receive cash from issue of the Options. Funds raised upon exercise of the Options will be applied to the working capital requirements of the Company at the time of exercise;
- (j) a summary of the material terms of the EIP is included in Annexure A;
- (k) no loans will be made to the Directors or their nominees in relation to the acquisition of the Options;
- (l) details of any securities issued under the 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;
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolutions 5, 6, 7, 8, and 9 are approved and who are not named in this Notice and Statement will not participate until approval is obtained under that rule; and
- (n) a voting exclusion statement is contained in Note 6 within the Notice.

Board Recommendation

The Board (with the respective directors abstaining in relation to the relevant Resolution regarding their own proposed Options) recommends that Shareholders vote in favour of the Resolutions. The Chair will vote undirected proxies in favour of these Resolutions.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 10: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% Placement Capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that, as at date of the special resolution, is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The effect of this Resolution will be to allow the Company to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

If this Resolution 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 further shareholder approval.

If this Resolution 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

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

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it 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).

(b) Equity Securities

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 Company.

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12-month period immediately preceding the date of the issue or agreement):

- a) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- b) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- c) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- d) plus the number of fully paid shares issued in the relevant period with approval under Listing Rules 7.1 or 7.4;
- e) plus the number of partly paid shares that became fully paid in the relevant period;
- f) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% 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 where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Nature of consideration for issue and Minimum Issue Price

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be 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 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.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders 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).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 30 April 2021, and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 30 April 2021;
 - (ii) the time and date of the Company's next annual general meeting;
 - (iii) the time and date of the approval by shareholders 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).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's 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 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.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:

- (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Listed Options, only if the Listed Options are exercised). Shareholders may also be exposed to economic risk and voting dilution, including the following:
- (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 Annual General 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.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 11 March 2021 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.075 50% decrease in Current Share Price	\$0.15 Current Share Price	\$0.30 100% increase in Current Share Price
Current Variable A 233,020,832 Shares	10% Voting Dilution	23,302,083 Shares		
	Funds raised	\$1,747,656	\$3,495,312	\$6,990,625
50% increase in current Variable A 349,531,248 Shares	10% Voting Dilution	34,953,125 Shares		
	Funds raised	\$2,621,484	\$5,242,969	\$10,485,937
100% increase in current Variable A 466,041,664 Shares	10% Voting Dilution	46,604,166 Shares		
	Funds raised	\$3,495,312	\$6,990,625	\$13,981,250

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options are exercised into Shares or other convertible securities are converted to Shares before the date of the issue of the Equity Securities;
- 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%.
- 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 Annual General Meeting.
- 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.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- The Current Share Price is \$0.15 being the closing price of the Shares on ASX on 11 March 2021.

- (e) The Company will only issue and allot the Equity Security during the 10% Placement Period. The approval under this Resolution for the issue of the Equity Securities will cease to be valid in the even that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).
- (f) 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 relevant factors including, but not limited to, the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) 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 this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (g) The Company:
 - (i) has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting; and
 - (ii) had not agreed, before the 12-month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Directors Recommendations

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 11;

15% Placement Facility has the meaning as defined in the Explanatory Statement for Resolution 3;

“**AGM**” or “**Meeting**” means annual general meeting of the Company;

“**Annual Report**” means the Company’s annual report for the year ended 31 December 2020 containing the Financial Report, the Directors’ Report and the Auditor’s Report;

“Associate” has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Listing Rules**” or “**Listing Rules**” means the Listing Rules of the ASX, as amended from time to time;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chair**” means the person appointed to chair the AGM convened by the 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 Montem Resources Limited ACN 623 236 831;

“**Constitution**” means the constitution of the Company, as amended from time to time;

“**Corporations Act**” means the *Corporations Act 2001* (Cth);

“**Director**” means a director of the Company;

“**Directors’ Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**EIP**” or “Employee Incentive Plan” means employee incentive plan of the Company effective on 12 January 2018;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” or “**Statement**” means the explanatory statement which accompanies and forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Hybrid Meeting**” means a meeting that combines a ‘live’ in-person meeting at a physical location with a ‘virtual’ online component for remote attendees.

“**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**” or “**ASX Listing Rules**” means the Listing Rules of the ASX, as amended from time to time;

“**Meeting**” or “**AGM**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” or “**Notice of Meeting**” means this notice of annual general meeting;

“**Option**” means an option for Shares issued under the EIP;

“**Performance Rights**” means the performance rights issued under the terms of the EIP convertible into Shares;

“**Placement Shares**” means the issue of 30,394,021 Shares to professional and sophisticated investors under a Placement in accordance with ASX announcement dated 18 February 2021 at an issue price of \$0.17 per Share;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Montem Resources Limited for the financial year ended 31 December 2020 and which is set out in the Annual Report.

“Resolution” means a resolution referred to in the Notice.

“Share” means a fully paid ordinary share in the capital of the Company;

“Shareholder” means a registered shareholder of the Company;

“Statement” or **“Explanatory Statement”** means the explanatory statement which accompanies and forms part of the Notice;

“Trading Day” means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

“VWAP” means volume weighted average price.

ANNEXURE A – SUMMARY OF TERMS AND CONDITIONS OF EMPLOYEE INCENTIVE PLAN

Eligibility	Any director, officer or employee who is an eligible participant for the purposes of ASIC Class Order 14/1000, or other person approved by the Board, is an eligible participant for the purposes of the EIP (Eligible Person).
Grant of securities	The Board may offer any number of shares, options or rights to Eligible Persons on the terms the Board decides, subject to the EIP rules, any applicable laws and the Listing Rules. The offer must be in writing and specify, amongst other things, the number of shares, options or rights for which the Eligible Person may apply, the period within which the options may be exercised, any vesting, the option expiry date (as determined by the Board) and the exercise price of the options.
Exercise	The options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to the Company, paying the exercise price in full and agreeing to consent to become a member of the Company and abide by the Company's Share Trading Policy.
Cashless Exercise	<p>The Board may determine in its sole and absolute discretion to permit the Participant to exercise those Options or Rights by way of a Cashless Exercise. If Options or Rights are exercised by Cashless Exercise, on exercise of the Options or Rights:</p> <ul style="list-style-type: none"> (a) the Participant will not be required to pay the Exercise Price for the Options or Rights in cleared funds (b) the Company will only issue or transfer that number of Shares to the Participant that have a value equal to the then total Market Value of the Shares that would have been issued or transferred to the Participant if the Options or Rights had been exercised other than by way of Cashless Exercise, less the total amount of the Exercise Price that would otherwise have been payable on exercise of the Options or Rights (with the number of Shares rounded down); and (c) all outstanding Options or Rights subject to the Cashless Exercise will be cancelled, or otherwise dealt with as determined by the Board
Restrictions on Hedging and Dealing	<p>The EIP includes restrictions on participants:</p> <ul style="list-style-type: none"> (a) entering into any schemes, arrangements or transactions, including hedging arrangements, that hedge or protect the value of options allocated under the EIP or Shares which will be issued on exercise of options; (b) dealing with options (or any right or obligation under the EIP) until certain conditions are satisfied, including written consent of the Company being obtained and such dealing complying with the Company's Constitution and Share Trading Policy.
Automatic Vesting of Unvested Options	Notwithstanding any vesting conditions application to an option, if a change in control event occurs (as those terms are defined in the EIP), then all vesting conditions in respect of the relevant options will be deemed satisfied and all unvested options will automatically vest, unless the Board otherwise determines.
Lapse	The options shall lapse in accordance with specific offer terms or events contained in the EIP rules, which include insolvency of the Company or where a participant is a bad leaver (as defined in the EIP).
Reconstructions	The Company is permitted to alter the rights of options issued under the EIP on any reorganisation of its capital in accordance with the Listing Rules.

Rights of Participants	<p>No conferred rights</p> <p>Participation in the EIP does not:</p> <ul style="list-style-type: none"> (a) confer any right or entitlement if such right is subject to Shareholder approval; (b) confer on any person the right to receive an offer under the EIP; (c) confer on a participant the right to continue as an employee of the Company; or (d) affect any right the Company or any subsidiary may have to terminate the employment of a participant. <p>No impact on termination rights</p> <p>Participation in the EIP may not be used to increase damages in any action brought against the Company or any subsidiary in respect of that termination.</p> <p>Other schemes</p> <p>Participation in the EIP does not affect, and is not affected by, participation in any other employee incentive scheme operated by the Company unless the terms of the other scheme provide otherwise.</p> <p>Exercise of Options</p> <p>Once Shares are allotted upon exercise of options issued under the EIP, the Shares will rank equally on and from the date of issue with any Shares of the same class then on issue.</p> <p>New Issue</p> <p>Participants are not entitled to participate in offers of new securities by the Company unless they have been issued Shares on the exercise of options.</p> <p>Change of Control</p> <p>In the event of a change of control (as defined in the EIP rules as Corporate Control Event) is proposed all unvested securities held by a participant will vest.</p> <p>Tax</p> <p>The Company is not responsible for any taxes which may become payable by a participant in connection with the EIP. Notwithstanding, if the Company is obliged to make or deemed to make a payment to a participant under the EIP, the Company may deduct or withhold any amount in respect of taxes payable as a result of the payment (including by withholding options or shares and selling them to raise the necessary funds at any price reasonably obtainable by the Company).</p>
Assignment	The options are not assignable without the prior written approval of the Company.
Administration	The EIP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the EIP.
Termination and amendment	The EIP may be terminated or suspended at any time by the Company. The EIP may be amended at any time by the Board in writing except where the amendment adversely affects the rights of the holders of options issued under the EIP without the consent of the participant affected, unless so required by the Corporations Act or the Listing Rules.

ANNEXURE B – SUMMARY OF OPTION TERMS

The terms and conditions of the options granted are as follows:

1. Entitlement

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

2. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date.

3. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

4. Shares issued on exercise

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

5. Timing of issue of Shares

After an Option is validly exercised, the Company must, as soon as practicable following the receipt of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option issue the Shares

6. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give holders of the Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

7. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

8. Adjustment for entitlement issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

9. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

10. Options transferable

The Options are not transferable unless it is a permitted transfer under the EIP Rules.

11. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.



MONTEM RESOURCES LIMITED | ACN 623 236 831

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.00AM (AEST) Wednesday, 28 April 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

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

