

FIRST AU LIMITED
ACN 000 332 918
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2023 Annual General Meeting ("**Meeting**") of the shareholders of First Au Limited [ACN 000 332 918] ("**the Company**") will be held at Adina Apartment Hotel, 189 Queen Street, Melbourne VIC 3000 on 29 May 2023 at 10.00am (Melbourne time).

Further details in respect of each of the Resolutions proposed in this Notice of Annual General Meeting ("**Notice**") are set out in the Explanatory Memorandum ("**Memorandum**") accompanying this Notice.

The details of Resolutions contained in the Memorandum should be read together with, and form part of, this Notice.

AGENDA

2022 ANNUAL FINANCIAL STATEMENTS

To lay before the meeting and consider the Annual Financial Statements of the Company in respect of the year ended 31 December 2022 and comprising the Annual Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTION 1: NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

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

"That the Company approve the adoption of the Remuneration Report, included in the Directors' Report, for the year ended 31 December 2022."

Voting Prohibition:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or*
- (b) a closely related party of such a member.*

*(referred to herein as **Restricted Voters**).*

*However, a person (**voter**) may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a Restricted Voter and the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on Resolution 1. The Chair may also exercise undirected proxies if the vote is cast on behalf of a person entitled to vote on Resolution 1 and the proxy appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of members of the key management personnel of the Company.*

Voting Note:

Directors of the Company who are key management personnel whose remuneration details are included in the 2022 Remuneration Report, any other key management personnel whose remuneration details are included in the 2022 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

RESOLUTION 2: APPROVAL OF 10% PLACEMENT FACILITY

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

"That for the purposes of ASX Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to the maximum number permitted under ASX Listing Rule 7.1A.2 at an issue price which is not less than 75% of the volume weighted average market (closing) price of the Company's ordinary shares calculated over the last fifteen (15) days on which trades of the Company's ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date the issue is made as described in the Memorandum which accompanied and formed part of this Notice."

Voting Note:

If as at the time of the Meeting, the Company:

- is included in the S&P/ASX 300 Index; and
- has a market capitalisation of greater than AU\$300 million,

this Resolution will be withdrawn.

Voting Exclusion Statement – Resolution 2

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of that person.

However, this does not apply to a vote cast in favour of Resolution 2 by:

- *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*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

RESOLUTION 3: APPROVAL OF EMPLOYEE SECURITY OWNERSHIP PLAN

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

“That, for the purposes of Listing Rule 7.2 Exception 13(b), and for all other purposes including sections 259B and 260C of the Corporations Act, shareholders approve the adoption of the FAU Employee Security Ownership Plan, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion Statement – Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a person who is eligible to participate in the employee incentive scheme or any associate of that person.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- *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*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Proxy Voting Prohibition – Resolution 3

Other than as set out below, a vote on Resolution 3 must not be cast as proxy by a Restricted Voter.

A Restricted Voter may cast a vote on Resolution 3 as a proxy if either:

- *the Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this resolution; or*
- *the Restricted Voter is the chair and the written appointment of the chair as proxy:*
 - *does not specify the way the proxy is to vote on this resolution; and*
 - *expressly authorises the chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

RESOLUTION 4A - APPROVAL TO ISSUE OPTIONS – RYAN SKEEN

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

“That, for the purposes of Listing Rule 10.14, section 195(4) of the Corporations Act and for all other purposes, shareholders approve the issue of an aggregate of 30,000,000 unlisted options to Ryan Skeen (or his nominee), with terms and as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 4A is set out below.

RESOLUTION 4B - APPROVAL TO ISSUE OPTIONS – MICHAEL QUINERT

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

“That, for the purposes of Listing Rule 10.14, section 195(4) of the Corporations Act and for all other purposes, shareholders approve the issue of an aggregate of 15,000,000 unlisted options to Michael Quinert (or his nominee), with terms and as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 4B is set out below.

RESOLUTION 4C - APPROVAL TO ISSUE OPTIONS – DAMON O’MEARA

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

“That, for the purposes of Listing Rule 10.14, section 195(4) of the Corporations Act and for all other purposes, shareholders approve the issue of an aggregate of 15,000,000 unlisted options to Damon O’Meara (or his nominee), with terms and as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 4C is set out below.

Voting Exclusion Statement – Resolutions 4A to 4C

The Company will disregard any votes cast in favour of Resolutions 4A to 4C respectively by or on behalf of a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or any associate of that person.

However, this does not apply to a vote cast in favour of Resolutions 4A to 4C respectively by:

- *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*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Proxy Voting Prohibition – Resolutions 4A to 4C

Other than as set out below, a vote on Resolutions 4A to 4C must not be cast as proxy by a Restricted Voter.

A Restricted Voter may cast a vote on Resolutions 4A to 4C as a proxy if either:

- *the Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this resolution; or*
- *the Restricted Voter is the chair and the written appointment of the chair as proxy:*
 - *does not specify the way the proxy is to vote on this resolution; and*
 - *expressly authorises the chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

RESOLUTION 5A: APPOINTMENT OF DANIEL RAIHANI AS A DIRECTOR

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

"That Mr Daniel Raihani, having consented to act, be appointed as a Director of the Company effective immediately on the passing of this resolution."

RESOLUTION 5B: APPOINTMENT OF LEI SHI AS A DIRECTOR

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

"That Mr Lei Shi, having consented to act, be appointed as a Director of the Company effective immediately on the passing of this resolution."

RESOLUTION 5C: APPOINTMENT OF CHRISTOPHER ELDRIDGE AS A DIRECTOR

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

"That Mr Christopher Eldridge, having consented to act, be appointed as a Director of the Company effective immediately on the passing of this resolution."

RESOLUTION 6A: REMOVAL OF DAMON P O'MEARA AS A DIRECTOR

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

"That, pursuant to section 203D(1) of the Corporations Act 2001 (Cth), Mr Damon P O'Meara be removed as a Director of the Company effective immediately on the passing of this resolution."

RESOLUTION 6B: REMOVAL OF MICHAEL J QUINERT AS A DIRECTOR

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

"That, pursuant to section 203D(1) of the Corporations Act 2001 (Cth), Mr Michael J Quinert be removed as a Director of the Company effective immediately on the passing of this resolution."

RESOLUTION 7 – SPILL RESOLUTION

Resolution 7 will only be put to Shareholders if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report. If less than 25% of votes cast on Resolution 1 are against Resolution 1 then Resolution 7 will be withdrawn and will not be put to shareholders.

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

"That:

- an extraordinary general meeting of the Company's shareholders ("spill meeting") be held within 90 days of the date of this Resolution; and
- all of the Company's directors (other than the Managing Director) in office at the time when the Director's Report for the year ended 31 December 2022 was passed, and who remain directors at the time of the spill meeting, cease to hold office before the end of the spill meeting; and
- resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to a vote of shareholders at the spill meeting."

A voting prohibition for Resolution 7 is set out below.

Voting Prohibition

A vote on Resolution 7 must not be cast (in any capacity) by or on behalf of a Restricted Voter.

However, a person ("voter") may cast a vote on Resolution 7 as a proxy if the vote is not cast on behalf of a Restricted Voter and the voter is appointed as proxy in writing that specifies the way the proxy is to vote on Resolution 7. The Chair may also exercise undirected proxies if the vote is cast on behalf of a person entitled to vote on Resolution 7 and the proxy appointment expressly authorises the Chair to exercise the proxy even if Resolution 7 is connected directly or indirectly with the remuneration of the members of the key management personnel of the Company.

OTHER BUSINESS

To consider any other business that may be brought before the Meeting in accordance with the constitution of the Company and the Corporations Act.

By the order of the Board



Ryan Skeen
CEO and Managing Director

Dated: 28 April 2023

The accompanying Proxy Instructions and Memorandum form part of this Notice.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged with the Company's share registry not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the Meeting as your proxy.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 7:00pm (Melbourne time) on 27 May 2023 are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How the Chair Will Vote Undirected Proxies

Subject to the restrictions as set out in the Notice, the Chair of the Meeting will vote undirected proxies in favour of the Resolutions 1 to 4C and against Resolutions 5A to 7.

Voting Restrictions on Resolutions 1 (Remuneration Report) and 7 (Spill Resolution)

The Remuneration Report identifies key management personnel whose remuneration details are included in the 2022 Remuneration Report. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Directors of the Company who are key management personnel whose remuneration details are included in the 2022 Remuneration Report, any other key management personnel whose remuneration details are included in the 2022 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 and/or 7, or to vote undirected proxies held by them on Resolution 1 and/or 7, provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

Proxy voting restrictions on Resolutions 3 to 4C

The Remuneration Report identifies key management personnel for the year ended 31 December 2022. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Directors of the Company who are key management personnel whose remuneration details are included in the 2022 Remuneration Report, any other key management personnel whose remuneration details are included in the 2022 Remuneration Report, or any of their closely related parties, will not be able to vote undirected proxies held by them on Resolutions 3 to 4C provided however the chair may vote undirected proxies on Resolutions 3 to 4C on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

Special resolution

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution. Resolution 2 is a special resolution.

FIRST AU LIMITED
ACN 000 332 918
NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM

This Memorandum has been prepared for the information of members of First Au Limited [ACN 000 332 918] (the "**Company**") in connection with the business to be conducted at the 2023 Annual General Meeting ("**Meeting**") of Shareholders of the Company to be held at Adina Apartment Hotel, 189 Queen Street, Melbourne VIC 3000 on 29 May 2023 at 10.00am (Melbourne time).

Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions set out therein to vote before the Meeting.

This Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

BUSINESS

2022 Annual Financial Statements

The Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 31 December 2022 will be laid before the meeting. Shareholders will have the opportunity to ask questions about, or make comments on, the 2022 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend, to answer questions about the audit of the Company's 2022 Annual Financial Statements.

As permitted by the Corporations Act, a printed copy of the Company's 2022 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2022 Annual Report is available from the Company's website (www.firstau.com) and the ASX announcements page of the Company (www2.asx.com.au, search code "FAU"). A copy of the 2022 Annual Report can also be obtained upon request to the Company by email to info@firstau.com.

There is no requirement for these reports to be formally approved by shareholders. No resolution is required to be moved in respect of this item.

Resolution 1: Non-binding Resolution - Remuneration Report

The Company is required pursuant to the Corporations Act 2001 (Cth) (**Corporations Act**), to propose a non-binding resolution regarding the 2022 Remuneration Report, which forms part of the Director's Report in the 2022 Annual Financial Statements. The vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the Meeting will have the opportunity to discuss the Remuneration Report.

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of Directors of the company (**Spill Resolution**) if, at consecutive annual general meetings (**AGMs**), at least 25% of the votes cast on a remuneration report resolution at both AGMs are voted against adoption of the remuneration report and at the first of those AGMs a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those AGMs.

At least 25% of the votes cast at the 2022 AGM were against adoption of the 2021 Remuneration Report. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the 2022 Remuneration Report then Resolution 7 (being a Spill Resolution) will be put to shareholders for a vote.

If Resolution 7 is put to shareholders and more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the date of the Meeting.

If less than 25% of the votes cast on Resolution 1 are against the adoption of the 2022 Remuneration Report then a Spill Resolution will not be required under the Corporations Act and Resolution 7 will be withdrawn.

All of the Directors of the Company (other than the Managing Director) who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than Ryan

Skeen (the CEO and Managing Director of the Company), will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the Company.

Note that a voting exclusion applies to Resolution 1 on the terms set out in the Notice. In particular, Directors and other members of the key management personnel details of whose remuneration are included in the Remuneration Report or a closely related party of those persons must not vote on Resolution 1 and must not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

Resolution 2: Approval of 10% placement facility

ASX Listing Rule 7.1A enables eligible entities to issue equity securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued share capital through placements over a 12-month period after an AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less.

The Company is, at the date of the 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 number of equity securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below). The Company may use funds raised from any issue(s) under the 10% Placement Facility for development of its existing business and any acquired business, funding new projects or business opportunities or working capital.

The Company obtained shareholder approval to make issues under ASX Listing Rule 7.1A at its 2022 AGM. This Shareholder approval will lapse on the date of this Meeting.

The Company seeks to refresh the shareholder approval so as to continue to be able to make issues under the 10% Placement Facility after the Meeting in accordance with ASX Listing Rule 7.1A.

If Shareholders pass Resolution 2, the number of equity securities the Company may issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below). If Resolution 2 is not passed by shareholders then the Company will not be able to issue equity securities under the 10% Placement Facility.

The Directors of the Company believe that Resolution 2 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 2.

DESCRIPTION OF LISTING RULE 7.1A

- **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 AGM.

- **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 two classes of quoted equity securities, being ordinary shares (**FAU**) and quoted options (**FAUOA**).

- Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may, during the 10% Placement Period (defined below), issue a number of equity securities calculated in accordance with the following formula:

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

where:

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

- (i) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus the number of fully paid ordinary shares issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 where:
 - a. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - b. the issue of, or agreement to issue, the convertible securities was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- (iii) plus the number of fully paid ordinary shares issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 Exception 16 where:
 - a. the agreement was entered into before the commencement of the relevant period; or
 - b. the agreement or issue was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- (iv) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;
- (v) plus the number of partly paid shares that became fully paid in the 12 months;
- (vi) less the number of fully paid shares cancelled in the 12 months.

Note: "A" has the same meaning in ASX 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 ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holder of ordinary securities under ASX Listing Rule 7.4.

- ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

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

As at the date of this Notice, the Company has 1,094,783,268 ordinary shares on issue and will therefore have capacity to issue:

- (i) 164,217,490 equity securities under Listing Rule 7.1 (15% capacity); and
- (ii) subject to shareholders approving this Resolution 2, 109,478,326 (provided such equity securities are in a class of quoted equity securities) under Listing Rule 7.1A.

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

- Minimum Issue Price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the relevant equity securities are to be issued is agreed by the Company and the recipient of the relevant equity securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

- 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires (and ceases to be valid) on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the time and date of the next AGM of the Company; or
- (iii) the date of the approval by shareholders of a transaction under ASX 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).

- ASX Listing Rule 7.1A

The effect of Resolution 2 will be to allow the Directors of the Company to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1. Resolution 2 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

SPECIFIC INFORMATION REQUIRED BY ASX LISTING RULE 7.3A

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

- Any equity security issued will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the relevant equity securities are to be issued is agreed by the Company and the recipient of the relevant equity securities; or
 - (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- If Resolution 2 is approved by the Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company would be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and

- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the quantum of funds raised by the issue of the equity securities.

The table below shows the dilution of existing shareholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the 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 shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements.
- Two examples of where the price of ordinary shares has decreased by 50% and increased by 50% as against the current market price (being \$0.006 (0.6 cents), the closing price of the Company's ordinary shares at close of trading on 12 April 2023).

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.003 50% decrease in Deemed Price	\$0.006 Deemed Price	\$0.009 50% Increase in Deemed Price
Current Variable A 1,094,783,268 shares	10% Voting Dilution	109,478,326 shares	109,478,326 shares	109,478,326 shares
	Funds raised	\$328,435	\$656,870	\$985,305
50% increase in current Variable A 1,642,174,902 shares	10% Voting Dilution	164,217,490 shares	164,217,490 shares	164,217,490 shares
	Funds raised	\$492,652	\$985,305	\$1,477,957
100% increase in current Variable A 2,189,566,536 shares	10% Voting Dilution	218,956,653 shares	218,956,653 shares	218,956,653 shares
	Funds raised	\$656,870	\$1,313,740	\$1,970,610

The table above has been prepared on the following assumptions:

- The figures in the table above is calculated on the basis of the issued capital of the Company at the date of the Notice and in particular does not take into account the conversion of convertible securities into fully paid ordinary shares or the issue of additional fully paid ordinary shares, including for which the Company proposes seeking shareholder approval at the general meeting scheduled to be held on 29 April 2023.
- All figures are subject to rounding.
- The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting.
- No convertible securities convert into fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A.
- The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting.

- *The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1.*
- *The deemed price in the table is indicative only and does not consider the maximum 25% discount to market that the securities may be placed at under ASX Listing Rule 7.1A.*

The Company may issue the equity securities under the 10% Placement Facility for cash consideration. In such circumstances, the Company intends to use the funds raised (if any) towards developing its existing business and any acquired business, or to fund new projects or business opportunities and/or for general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 upon issue of any equity securities under the 10% Placement Facility.

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 factors including but not limited to the following:

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

Due to the forward-looking nature of the approval, the allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments (provided that the quoted securities were issued for cash consideration).

The Company has previously obtained shareholder approval under ASX Listing Rule 7.1A at its 2022 AGM. During the 12-month period preceding the proposed date of the Meeting the Company issued a total of 81,391,094 ordinary shares under the Company's 10% Placement Capacity under ASX Listing Rule 7.1A, representing 9.94% of the number of shares on issue on the date 12 months prior to the Meeting.

Details as required by ASX Listing Rule 7.3A.6 for the issue are set out in the table below:

Date	Quantity	Class	Recipients	Issue price and discount (if any)	Cash
28/07/22	81,391,094	FAU	Unrelated sophisticated, professional and institutional investors identified by the lead manager of the placement or as identified by the Company.	Issue price of \$0.008. Price at date of issue was \$0.009, 11.22% discount	Cash: \$651,129 Spent: \$651,129 Remaining: \$0 Funds raised have been applied to exploration and development the Victorian and WA projects and working capital.

A voting exclusion as set out in the Notice applies to Resolution 2. As at the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Accordingly, no existing shareholder's votes will be excluded.

The directors of the Company unanimously recommend shareholders vote in favour of Resolution 2.

Resolution 3: Adoption of employee incentive scheme

Resolution 3 seeks shareholder approval for the adoption of an employee incentive scheme, being the Employee Security Ownership Plan (**Plan**). A summary of the Plan is set out in Annexure A.

ASX Listing Rules

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.2 Exception 13(b) provides an exception to ASX Listing Rule 7.1 for securities issued under an employee incentive scheme within 3 years of shareholder approval of the scheme. The Company seeks approval of the Plan for the purposes of ASX Listing Rule 7.2 Exception 13(b) so that issues of securities under the Plan do not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

If shareholders approve Resolution 3, the Company will be able to issue securities under the Plan without using placement capacity available to the Company. If shareholders do not approve Resolution 3, the Company will not be able to issue securities under the Plan without using placement capacity. The Company will not be able to issue securities under the Plan to related parties without further shareholder approval.

A summary of the terms of the Plan is set out in Annexure A.

The Company has not issued any securities under the Plan, which is proposed as a new incentive plan of the Company. The Company does however propose issuing the securities the subject of Resolutions 4A to 4C under the Plan. Any issue or agreement to issue securities under the Plan will be announced to ASX.

The maximum aggregate number of securities that may be issued under the Plan is 110,000,000, being approximately 10% of the current issued capital of the Company. Assuming shareholders approve the issue of options the subject of Resolutions 4A to 4C and the Company issues the options under those Resolutions, the Company will be able to issue up to a further 50,000,000 securities under the Plan. As noted above, the Company will not be able to issue securities under the Plan to related parties without further shareholder approval.

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

Corporations Act

The Plan constitutes an ‘employee share scheme’ for the purposes of the Corporations Act as it provides for the acquisition (subject to vesting conditions, if any) of securities in the Company. If such a scheme has been approved by Shareholders then any financial assistance that the Company might give to acquire its own shares (eg providing an interest-free loan) is exempted from the prohibition in section 260A of the Corporations Act. Section 260A requires financial assistance that might be considered to materially prejudice the interests of the Company or its shareholders or the Company’s ability to pay its creditors to be approved by Shareholders under section 260B and advance notice to be provided to ASIC. The provision of a loan to participants may be considered financial assistance for the purposes of the Corporations Act. Accordingly, the Board considers it desirable and appropriate to seek Shareholder approval for the Plan for the purposes of section 260C(4).

Section 257B(1) of the Corporations Act sets out the procedure for various forms of share buy-back, including an “employee share scheme buy-back”. In order for the Company to undertake a buy-back of Shares under the Plan (in circumstances where Shares are forfeited by participants in accordance with their terms of issue) using the employee share scheme buy-back procedure under the Corporations Act, the Plan must be approved by shareholders. Accordingly, shareholders are asked to approve the Plan in order for the Company to undertake a buy-back of Shares under the Plan using the employee share scheme buy-back procedure.

Approval of the Plan for the purposes of section 259B(2) of the Corporations Act will allow the Company to take security over its own shares granted under the Plan. The rules of the Plan provide the option for the Company to obtain security over its own shares and it is envisaged that issued shares may be subject to restrictions on disposal. Approval of the Plan for the purposes of s259B(2) of the Corporations Act removes any doubt about the efficacy of such restrictions on the basis they may constitute a ‘security’ over the shares.

General

An electronic copy of the Plan will be made available to shareholders upon request to the Company.

Resolutions 4A to 4C – proposed issues of options to related parties

Resolutions 4A to 4C seek shareholder approval for the purposes of ASX Listing Rule 10.14 and section 195(4) of the Corporations Act to issue an aggregate of 60,000,000 unlisted options to the Directors of the Company (and/or their nominee(s)) as incentive securities under the Plan.

The unlisted options are proposed to have the following commercial terms:

Class	Exercise Price	Expiry Date
Class A Options	\$0.012 (1.2 cents)	18 months from issue
Class B Options	\$0.015 (1.5 cents)	24 months from issue
Class C Options	\$0.018 (1.8 cents)	36 months from issue
Class D Options	\$0.02 (2 cents)	36 months from issue

The proposed recipient, number of options they are to receive are set out in the table below:

#	RECIPIENT*	Class A Options	Class B Options	Class C Options	Class D Options	TOTAL
4A	Ryan Skeen	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
4B	Michael Quinert	3,750,000	3,750,000	3,750,000	3,750,000	15,000,000
4C	Damon O'Meara	3,750,000	3,750,000	3,750,000	3,750,000	15,000,000
TOTAL		15,000,000	15,000,000	15,000,000	15,000,000	60,000,000

**options may be issued to nominee(s) as advised to the Company*

Full terms of the options other than the exercise price and expiry date are set out in Annexure B.

ASX Listing Rules

ASX Listing Rule 10.14 requires a company to obtain shareholder approval by ordinary resolution prior to the issue of securities under an employee incentive plan to a director of the company or any of their associates or any person whose relationship with either of those persons is such that in ASX's opinion the acquisition should be approved by shareholders. Shareholder approval is being sought under Listing Rule 10.14 for Resolutions 4A to 4C and as such approval is not required under ASX Listing Rule 7.1.

If shareholders:

- Pass all of Resolutions 4A to 4C, the Company will be able to issue all of the options the subject of those Resolutions. In addition, shares issued on exercise of these options (if any) will increase the placement capacity available to the Company.
- Pass some, but not all, of Resolutions 4A to 4C, the Company will be able to issue the options the subject of the Resolution(s) passed by shareholders, but will not be able to issue the options the subject of the Resolution(s) not passed by shareholders. In addition, shares issued on exercise of options issued in respect of Resolution(s) approved by shareholders will increase the placement capacity of the Company.
- Do not pass Resolutions 4A to 4C, the Company will not be able to issue the options.

The following information is provided in accordance with the requirements of ASX Listing Rule 10.15:

- The proposed recipients and the maximum number of securities to be acquired by each person for whom approval under ASX Listing Rule 10.14 is sought under Resolutions 4A to 4C is set out in the table below:

#	RECIPIENT*	Class A Options	Class B Options	Class C Options	Class D Options	TOTAL
4A	Ryan Skeen	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
4B	Michael Quinert	3,750,000	3,750,000	3,750,000	3,750,000	15,000,000
4C	Damon O'Meara	3,750,000	3,750,000	3,750,000	3,750,000	15,000,000
TOTAL		15,000,000	15,000,000	15,000,000	15,000,000	60,000,000

**options may be issued to nominee(s) as advised to the Company*

- Each of the proposed recipients of the options are Directors and are therefore persons to whom ASX Listing Rule 10.14.1 applies with respect to the proposed issue of options under the Plan.
- No funds are payable for the issue of the options, which are being issued as incentive options to remuneration each of the proposed recipients.
- No securities have previously been issued under the Plan to the proposed recipients, it being noted that the Plan is being proposed for adoption by shareholders under Resolution 3.
- A summary of the key commercial terms of the unlisted options are set out in the table below:

Class	Exercise Price	Expiry Date
Class A Options	\$0.012 (1.2 cents)	18 months from issue
Class B Options	\$0.015 (1.5 cents)	24 months from issue
Class C Options	\$0.018 (1.8 cents)	36 months from issue
Class D Options	\$0.02 (2 cents)	36 months from issue

The full terms of options other than the exercise price and expiry date are set out in Annexure B. As noted above, the unlisted options are proposed to be issued as incentive options to remunerate each of the recipients. Options were chosen as a means of preserving cash reserves in the Company whilst providing valuable remuneration to each of the proposed recipients. A Black-Scholes valuation of the options as at 24 April 2023 attributed a value to each of the classes of options as set out below:

Class	Value
Class A Options	\$0.00231
Class B Options	\$0.00248
Class C Options	\$0.00309
Class D Options	\$0.00294

- Details of the total current remuneration packages of each of the proposed recipients of options the subject of Resolutions 4A to 4C are set out below:
 - Ryan Skeen: \$200,000 per annum for acting as CEO and Managing Director.
 - Michael Quinert: \$60,000 per annum for acting as a Non-Executive Director.
 - Damon O'Meara: \$50,000 per annum for acting as a Non-Executive Director.
- Subject to receipt of shareholder approval, the Company intends to issue the options the subject of those of Resolutions 4A to 4C as approved by shareholders shortly after the Meeting, and in any event no later than three years after the date of the Meeting.
- The options are being issued for no cash as remuneration to each of the proposed recipients.
- The material terms of the Plan are set out in Annexure A.
- The Company confirms the following:
 - Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period within which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
 - Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolutions 4A to 4C are approved and who were not named in the Notice will not participate until approval is obtained under that rule.
- A voting exclusion statement and proxy voting prohibition for Resolutions 4A to 4C is contained in the Notice accompanying this Memorandum.

Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “related party” unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Each of the proposed recipients of the options under Resolutions 4A to 4C inclusive are related parties of the Company as defined under the Corporations Act.

Section 211 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given to the related party as an officer of the Company and to give the remuneration would be reasonable given:

- (a) the circumstances of the Company; and
- (b) the related party's circumstances (including the responsibilities involved in the office or employment).

The Company considers the proposed issue is reasonable remuneration and, as such, fall within the exception set out in section 211 of the Corporations Act.

In reaching this view, the Company has considered the respective positions and responsibilities of each of the Directors, the Company's reliance on a limited number of personnel, the need for the Company to effectively incentivise each of the Directors while aligning the incentive with increasing shareholder value, the desirability of preserving cash resources within the Company, and the terms of the options. The Company considers that the issue of the options is an effective tool which preserves the cash reserves of the Company whilst providing valuable consideration for the Directors.

Notwithstanding the above, and although no Director participated in the decision making process in respect of options proposed to be issued to them, the Directors acknowledge that Resolutions 4A to 4C separately relate to each of them.

Accordingly, Directors propose that Resolutions 4A to 4C each also be put to shareholders for the purposes of section 195(4) of the Corporations Act such that shareholders determine whether the named related parties will be issued the options as set out in the table on page 14 of this Memorandum.

If Resolutions 4A to 4C are passed and the options, the related parties noted in the table on page 14 of this Memorandum will be issued the options set out in the table on page 14 of this Memorandum.

Resolution 5A: Appointment of Daniel Raihani as a Director

Mr Daniel Raihani has consented to act as a Director of the Company. Mr Raihani is the sole director of 7 Enterprises Pty Ltd, the substantial shareholder which requisitioned the general meeting to put Resolutions 5A, 5B, 6A and 6B. A statement provided by 7 Enterprises Pty Ltd in respect of its requisition request is contained in Annexure C.

Mr Raihani, having been nominated by the requisitioning substantial shareholder, would not be considered to be independent. If all the resolutions requisitioned by the substantial shareholder were to be passed and no other directors were to be elected, it is anticipated that the Board would not have any independent directors. This would be inconsistent with the Company's current corporate governance policies and practices including its published Board Charter.

As at the time of preparation of this Memorandum Mr Raihani and the requisitioning shareholder have not provided sufficient information and materials to allow the conduct of criminal history and insolvency searches and other background checks for candidates for appointment as directors under the Company's published Board Charter and corporate governance processes. The information could also be relevant to further assessment of any claimed experience or expertise and whether the candidate would be considered independent. The Company will be seeking that information and materials, including consents where applicable, and will provide details of any material matters which emerge in due course.

A biography for Mr Raihani as received from 7 Enterprises Pty Ltd is set out below. The Board is not able to provide any comment on the particulars of the biography and has not independently verified the information:

"I am an accountant and tax professional with a wide range of experience at the C level in for-profit and not-for-profits. I started in management accounting, having obtained a BBus and DipFS, and then went on to establish an accounting practice and then a not-for-profit focused on the UN Global Goals. Since 2010 I've managed the family office for the Raihani Group and from 2015 to 2020 served as CEO of one of the largest strata management companies in Australia, with over \$1BN in property assets under management. Currently I have controlling equity & well as Directorships in companies in real estate sales and management, manufacturing, automotive exports, property development and tax consultancy with offices in UAE, Sydney & Hong Kong. The family office also has a portfolio of junior listed resource companies across different minerals globally. I am a member of the Australian Institute of Company Directors (MAICD) and a Justice of the Peace. I also serve on the board of a number of unlisted private companies."

Resolution 5A is an ordinary resolution. The Directors of the Company are unanimously against the appointment of Mr Raihani as a Director of the Company and recommend shareholders vote against Resolution 5A. The Chair of the Meeting intends to vote all undirected proxies against Resolution 5A.

Resolution 5B: Appointment of Lei Shi as a Director

Mr Lei Shi has consented to act as a Director of the Company. Mr Shi was nominated by 7 Enterprises Pty Ltd, the substantial shareholder which requisitioned the general meeting to put Resolutions 5A, 5B, 6A and 6B. A statement provided by 7 Enterprises Pty Ltd in respect of its requisition request is contained in Annexure C.

As a nominee of the requisitioning, substantial shareholder it is not anticipated that Mr Shi would be considered independent. If that is the case and all the resolutions requisitioned by the substantial shareholder were to be passed and no other directors were to be elected, it is anticipated that the Board would not have any independent directors. This would be inconsistent with the Company's current corporate governance policies and practices including its published Board Charter.

As at the time of preparation of this Memorandum Mr Shi and the requisitioning shareholder have not provided sufficient information and materials to allow the conduct of criminal history and insolvency searches and other background checks for candidates for appointment as directors under the Company's published Board Charter and corporate governance processes. The information could also be relevant to further assessment of any claimed

experience or expertise and whether the candidate would be considered independent. The Company will be seeking that information and materials, including consents where applicable, and will provide details of any material matters which emerge in due course.

A biography for Mr Shi received from 7 Enterprises Pty Ltd is set out below. The Board is not able to provide any comment on the particulars of the biography and has not independently verified the information:

“is an experienced geologist with over 10 years in the mining industry. Lei's expertise in geology and his experience in mining make him a valuable asset to any organization in the industry. He holds a BSc in Applied Geology from Curtin University and an Honours degree from the Centre of Exploration Target at the University of Western Australia. Lei is a member of the AusIMM. Lei has served in various roles from field geologist to project geologist in several ASX, TSX, and Australian mining companies since 2012. He also served as Technical Director of the Spodumene Lithium Mine in Xinjiang Province from 2017 to 2019 and as Senior Manager of Hong Kong listed producer Lingbao Gold from 2017 to 2019. Since 2019, Lei has been working as an exploration and M&A consultant for various lithium and gold companies, including Theta Gold Mines, Ruifu Lithium Industrial, Eve Energy Co., Ltd, and Shandong Chenxing Mining Co., Ltd.”

Resolution 5B is an ordinary resolution. The Directors of the Company are unanimously against the appointment of Mr Shi as a Director of the Company and recommend shareholders vote against Resolution 5B. The Chair of the Meeting intends to vote all undirected proxies against Resolution 5B.

Resolution 5C: Appointment of Christopher Eldridge as a Director

Mr Christopher Eldridge has consented to act as a Director of the Company. Mr Eldridge was nominated by a shareholder entitled to attend and vote at the Meeting in accordance with the constitution of the Company.

As at the time of preparation of this Memorandum Mr Eldridge and the shareholder who nominated him have not provided sufficient information and materials to allow the conduct criminal history and insolvency searches and other background checks for candidates for appointment as directors under the Company's published Board Charter and corporate governance processes. The information would also be relevant to further assessment of any claimed experience or expertise and whether the candidate would be considered independent. The Company will be seeking that information and materials, including consents where applicable, and will provide details of any material matters which emerge in due course.

The Board has not received any information concerning Mr Eldridge, his skills, credential or plans for the Company. The Board is therefore unable to comment on the suitability of Mr Eldridge to act as a Director of the Company.

Resolution 5C is an ordinary resolution. The Chair of the Meeting intends to vote all undirected proxies against Resolution 5C.

Resolution 6A: Removal of Damon P O'Meara as a Director

Resolution 6A is for the removal of Mr Damon P O'Meara as a Director of the Company.

A biography for Mr O'Meara is set out below:

- Mr O'Meara has over 40 years' experience in the mining industry, having worked for Denis O'Meara Prospecting and former ASX-Listed Miralga Mining NL
- Denis O'Meara Prospecting founders of Atlas Iron, Kalamazoo and De Grey Mining
- Co-founder of Outback Trees of Australia Pty Ltd and MD of private exploration companies Great Sandy Pty Ltd and Mineral Edge Pty Ltd
- Non-Executive Director of Narryer Metals Ltd (ASX:NYM)
- Non-Executive Director of Octava Minerals Ltd (ASX:OCT)

The Company anticipates receiving and distributing a statement to shareholders from Mr O'Meara prior to the date of the Meeting.

Resolution 6A is an ordinary resolution. The Directors of the Company, other than Mr Damon P O'Meara who abstains, are unanimously against the removal of Mr O'Meara as a Director of the Company and recommend shareholders vote against Resolution 6A. The Chair of the Meeting intends to vote all undirected proxies against Resolution 6A.

Resolution 6B: Removal of Michael J Quinert as a Director

Resolution 6B is for the removal of Mr Michael J Quinert as a Director of the Company.

A biography for Mr Quinert is set out below:

Mr Quinert has over 35 years' experience as a commercial lawyer and over 25 years as a partner in a Melbourne law firm, QR Lawyers. He has extensive experience in assisting and advising public companies on capital raising and market compliance issues. Mr Quinert is Chairman of ASX listed West Wits Mining Limited (ASX: WWI), a company with active gold mining activities in South Africa and Australia, and is a non-executive Director of First Graphene Limited (ASX:FGR), a company that is a leading supplier of high-performing graphene products.

The Company anticipates receiving and distributing a statement to shareholders from Mr Quinert prior to the date of the Meeting.

Resolution 6B is an ordinary resolution. The Directors of the Company, other than Mr Michael J Quinert who abstains, are unanimously against the removal of Mr Quinert as a Director of the Company and recommend shareholders vote against Resolution 6B. The Chair of the Meeting intends to vote all undirected proxies against Resolution 6B.

Resolution 7 – Spill Resolution

Resolution 7 will only be put to Shareholders if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report. If less than 25% of the votes cast on Resolution 1 are against Resolution 1 then Resolution 7 will be withdrawn and will not be put to shareholders.

Resolution 7 is a resolution for the following matters:

- an extraordinary general meeting of Shareholders (Spill Meeting) be held within 90 days of the date of this Resolution; and
- all Directors (other than the Managing Director) in office at the time when the Director's Report for the financial year ended 31 December 2022 was passed, and who remain Directors at the time of the Spill Meeting, cease holding office immediately before the end of the Spill Meeting; and
- resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to a vote of Shareholders at the Spill Meeting.

Resolution 7 is an ordinary resolution which means that, to be passed, the resolution requires the approval of more than 50% of the votes cast by or on behalf of shareholders entitled to vote on the meeting. If this resolution is put to the Meeting and passed, the Company must hold the Spill Meeting within 90 days of the date of this resolution in order to consider the composition of the Board.

All of the directors of the Company (who were in office when the 2022 Directors' Report was approved) other than the Managing Director will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the spill meeting. Following the Spill Meeting, those persons whose election or re-election as directors is approved will be the directors of the Company.

A voting prohibition as set out in the Notice applies to Resolution 7. Shareholders should be aware that no such voting prohibition will apply at the Spill Meeting and the Directors and their Closely Related Parties will be able to vote on the resolutions at the Spill Meeting.

The Chair will vote all undirected proxies against Resolution 7.

Note: references in the Notice and the Memorandum to "\$" are to Australian currency.

**ANNEXURE A
TERMS OF THE PLAN**

The Company is seeking shareholder approval for the adoption of the FAU Employee Security Ownership Plan (**Plan**) at the Meeting of the Company.

The maximum aggregate number of securities that may be issued under the Plan is 110,000,000, being approximately 10% of the current issued capital of the Company. Assuming shareholders approve the issue of options the subject of Resolutions 4A to 4C and the Company issues the options under those Resolutions, the Company will be able to issue up to a further 50,000,000 securities under the Plan.

Shares issued on exercise of an option or exercise or conversion of an interest issued under the Plan, and options or other interests which have been cancelled or which have lapsed are not counted in determining the number of securities issued under the Plan.

As at the date of the Notice, no securities have been offered or issued under the Plan. The Company is however seeking shareholder approval to issue up to 60,000,000 options to related parties under Resolutions 4A to 4C.

Further details are set out in the Memorandum to which this Annexure A is annexed.

Any issues of securities or agreements to issue securities under the Plan will be announced to ASX.

The Plan provides for shares, options or other securities or interests (including performance rights) to be issued to eligible persons. The purpose of the Plan is to:

- (a) provide eligible persons with an additional incentive to work to improve the performance of the Company;
- (b) attract and retain eligible persons essential for the continued growth and development of the Company;
- (c) to promote and foster loyalty and support amongst eligible persons for the benefit of the Company; and
- (d) to enhance the relationship between the Company and eligible persons for the long-term mutual benefit of all parties.

Eligible persons are directors, officers and employees of, or consultants to, the Company or an associated body corporate and, in the case of consultants, may include bodies corporate. Participants in the Plan, the number, type and terms of any securities offered or issue, and the terms of any invitation, offer or issue are determined by the Board with the advice of the remuneration committee, if any.

Directors and other related parties of the Company may only participate in the Plan if prior shareholder approval is obtained in accordance with the ASX Listing Rules.

The Directors may make loans to eligible persons to assist acquiring or for the purpose of acquiring securities under the Plan, subject to compliance with the Corporations Act and ASX Listing Rules.

The Board is to administer the terms of the Plan, including but not limited to determining the terms of securities issued, adoption of rules subordinate to the Plan for the administration of the Plan and the suspension or termination of the Plan.

The Plan is to be interpreted and applied in accordance with and subject to the ASX Listing Rules.

ANNEXURE B
TERMS OF OPTIONS – RESOLUTIONS 4A to 4C

Options have exercise prices and expiry dates as set out in the tables on page 14 of the Memorandum to which these terms are annexed and otherwise have terms set out below:

- Each option (**Option**) entitles the holder to acquire one ordinary fully paid share (**Share**) in the Company.
- The exercise price is a price to exercise each Option as set out in the Memorandum.
- The Options expire at 5pm (Melbourne time) on the date set out in the Memorandum.
- The Options can be exercised by completing an option exercise form and delivering it together with the payment of the exercise price for the number of Options that are exercised to the Company's share registry.
- Any Option that has not been exercised prior to the expiry date automatically lapses.
- Holders shall not be entitled to exercise their Options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- The exercise price is payable in full on exercise of an Option.
- Where an Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- Subject to compliance with applicable law, Options are freely transferable.
- All Shares issued upon exercise of Options will rank pari passu in all respect with, and have the same terms as, the Company's then issued fully paid ordinary shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until shares are issued pursuant to the terms of the relevant Options.
- There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the expiry date and if required by the ASX Listing Rules, the Company will send notices to Option holders in accordance with the ASX Listing Rules in respect of offers of securities made to shareholders.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- Options will otherwise have the terms as required by ASX and the ASX Listing Rules.

ANNEXURE C
STATEMENT FROM 7 ENTERPRISES PTY LTD

REQUISITIONING MEMBERS' STATEMENT TO FIRST AU LIMITED MEMBERS PURSUANT
TO SECTION 249P OF THE CORPORATIONS ACT

Dear fellow members

As at 24 April 2023, 7 Enterprises Pty Ltd (**7 Enterprises**) owns 10.96% of the shareholding of First AU Limited (**Company**). I am the sole director of 7 Enterprises.

Background – approval sought for massive dilution of existing shareholders

This Friday 28 April 2023, shareholders will be asked to approve:

- a capital raising at an all-time low share price;
- the issue of shares to acquire a lithium opportunity which is so early, exploration tenements have not yet been granted; and
- the massive dilution of existing shareholders associated with these transactions.

Voting intention

7 Enterprises will be voting **AGAINST** these proposed resolutions and urges you to do the same.

Reasons to vote AGAINST proposed resolutions

The purpose of this statement is to outline our reasons for voting against these transactions and why we believe it is necessary to change the Board.

1 Lithium play is inconsistent with strategic direction representations

The Company represented and raised capital on the basis that it was a junior gold exploration company with its flagship exploration project, Victorian Goldfields Project (**VGP**).

On 31 January 2023, the Company advised that the restructured board had undertaken a detailed review of the Company and stated that:

Following this review, the Board determined to strive to become a more disciplined and focused organisation with clearly defined priorities ... The review ... reaffirmed that FAU should continue to focus its exploration on its Victorian Gold project, which the Company believes is highly prospective and has strong potential to deliver substantial value. ... over the next 12-months it will focus its attention on the Haunted Stream and Snowstorm prospects...

The Board's proposed lithium play is inconsistent with its represented VGP priorities and stated strategic direction and management focus.

It is a distraction from its stated VGP priorities and management focus and not the basis on which I and many other investors invested in the Company.

2 Dilution of existing shareholders by capital raising and lithium play

The Board has disclosed that existing shareholders could be diluted by up to c40% from the capital raising and lithium play (ie our collective interest could be diluted from 100% to c60%).

The actual dilution could be **materially worse** because the Board has not disclosed the dilutionary effect of the **430,714,388** options to be granted to acquire the lithium play.

The basis on which the lithium play has been valued has not been disclosed and shareholders do not have sufficient information to form a view as to whether this level of dilution is fair or reasonable.

3 Dilutive capital raising price

The proposed capital raise at \$0.003 is the lowest price the Company has ever traded, undervalues the Company and is overly dilutive.

The Company has raised capital at the following prices over the last 24 months:

- \$1,280,000 at \$0.017 per share in February 2021
- \$1,840,000 at \$0.012 per share in October 2021
- \$900,000 at \$0.008 in July 2022
- \$432,000 at \$0.003 in February 2023

I believe the Board has not done enough to raise funds at a higher issue price.

The proposed valuation and consequent dilution of existing shareholders is not in the best interests of shareholders.

4 **New directors are needed for the benefit of all shareholders**

In my opinion, the Board has failed preserve value for shareholders which is reflective in the Company's valuation for the proposed capital raising.

The proposed directors' appointment will substantially improve the capabilities of the Company and strengthen the position to maximise shareholder value going forward.

- **Mr Daniel Raihani** – I am an accountant and tax professional with a wide range of experience at the C level in for-profit and not-for-profits. I started in management accounting, having obtained a BBus and DipFS, and then went on to establish an accounting practice and then a not-for-profit focused on the UN Global Goals. Since 2010 I've managed the family office for the Raihani Group and from 2015 to 2020 served as CEO of one of the largest strata management companies in Australia, with over \$1BN in property assets under management. Currently I have controlling equity & well as Directorships in companies in real estate sales and management, manufacturing, automotive exports, property development and tax consultancy with offices in UAE, Sydney & Hong Kong. The family office also has a portfolio of junior listed resource companies across different minerals globally. I am a member of the Australian Institute of Company Directors (MAICD) and a Justice of the Peace. I also serve on the board of a number of unlisted private companies.
- **Mr Lei Shi** – is an experienced geologist with over 10 years in the mining industry. Lei's expertise in geology and his experience in mining make him a valuable asset to any organization in the industry. He holds a BSc in Applied Geology from Curtin University and an Honours degree from the Centre of Exploration Target at the University of Western Australia. Lei is a member of the AusIMM. Lei has served in various roles from field geologist to project geologist in several ASX, TSX, and Australian mining companies since 2012. He also served as Technical Director of the Spodumene Lithium Mine in Xinjiang Province from 2017 to 2019 and as Senior Manager of Hong Kong listed producer Lingbao Gold from 2017 to 2019. Since 2019, Lei has been working as an exploration and M&A consultant for various lithium and gold companies, including Theta Gold Mines, Ruifu Lithium Industrial, Eve Energy Co., Ltd, and Shandong Chenxing Mining Co., Ltd.

I urge shareholders to vote:

- at the meeting this Friday 28 April 2023 and any subsequent adjournment - **AGAINST** Resolutions 1 – 12 (capital raising and lithium play); and
- at the AGM or other meeting where the Board change resolutions are considered – **FOR** the removal Directors O'Meara and Quinert and **FOR** the appointment of Daniel Raihani and Lei Shi as directors

Yours sincerely,



.....
Daniel Raihani
7 Enterprises Pty Ltd
ACN 169 639 883

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 **10.00am (Melbourne Time) on Saturday, 27 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

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

or scan the QR code below using your smartphone

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



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