

9 October 2020

Dear Shareholders,

### **ANNUAL GENERAL MEETING – MANAGING COVID-19 RESTRICTIONS**

The Annual General Meeting of the Company is scheduled to be held at The Boulevard Centre, 99 The Boulevard, Floreat WA 6014 on 10 November 2020 at 10:00am (AWST) (**Meeting**).

The Company is closely monitoring the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments. Based on the information available at the date of this Notice of Meeting, the Board considers it will be in a position to hold a physical meeting with appropriate measures in place to comply with Federal and State COVID-19 restrictions regarding gatherings. However, the Company strongly encourages Shareholders to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice.

To assist the Company in ensuring that the Meeting is held in compliance with the COVID-19 restrictions, Shareholders who wish to attend the Meeting in person will need to register their attendance by contacting Sarah Shipway via [sarahs@beaconminerals.com.au](mailto:sarahs@beaconminerals.com.au) by no later than 5:00pm (AWST) on 9 November 2020 (**Attendance Closing Date**).

Any Shareholder that has not registered their attendance by the Attendance Closing Date may not be permitted entry into the Meeting if doing so would result in the Company contravening the restrictions imposed by the Western Australian or Federal Government.

In accordance with temporary modifications to the Corporations Act 2001 (Cth) via the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company will not be sending hard copies of the Notice of Meeting to shareholders, proxy forms will be posted to shareholders.

The Notice of Meeting can be viewed and downloaded from our website at [www.beaconminerals.com.au](http://www.beaconminerals.com.au).

Alternatively, a complete copy of the important Meeting documents has been posted on the Company's ASX market announcements page (ASX: BCN).

### **How Shareholders Can Participate**

1. Shareholders can participate by registering their attendance prior to the Attendance Closing Date and attend the meeting in person.
2. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10:00am (AWST) on 8 November 2020.
3. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [sarahs@beaconminerals.com.au](mailto:sarahs@beaconminerals.com.au). Responses will be provided in respect of all valid questions received prior to 5:00pm (AWST) on 9 November 2020. Shareholders who physically attend the Meeting, will also have an opportunity to submit questions during the meeting.

Shareholders can contact the Company Secretary on 0437 220 697 or by email at [sarajs@beaconminerals.com.au](mailto:sarajs@beaconminerals.com.au) if they have any queries in relation to the Meeting.

If the arrangements for the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform (ASX: BCN) and on the Company's website at [www.beaconminerals.com.au](http://www.beaconminerals.com.au).

This announcement is authorised for market release by the Board of Beacon Minerals Limited.

Sincerely,

Geoffrey Greenhill  
Executive Chairman  
**Beacon Minerals Limited**

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**BEACON MINERALS LIMITED**  
**ACN 119 611 559**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10:00 am (WST)  
**DATE:** 10 November 2020  
**PLACE:** The Boulevard Centre  
99 The Boulevard  
Floreat WA 6014

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

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 am on 8 November 2020.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:**

A vote on this Resolution 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.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) 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.

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#### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – RODNEY JOHNS

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

*“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Rodney Johns, a Director who was appointed as an additional Director on 21 July 2020, retires, and being eligible, is elected as a Director.”*

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SARAH SHIPWAY

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

*“That, for the purpose of clauses 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Sarah Shipway, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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**5. RESOLUTION 4 – ISSUE OF OPTIONS TO DIRECTOR – RODNEY JOHNS**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 10,000,000 Options to Mr Rodney Johns (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Rodney Johns (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
    - (i) a member of the Key Management Personnel; or
    - (ii) a Closely Related Party of such a member; and
  - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
  - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**6. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE**

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”*

**Dated: 24 September 2020**

**By order of the Board**

**Sarah Shipway  
Non-Executive Director/Company Secretary**

### **Voting by proxy**

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

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

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

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

### **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

In light of on the status of the evolving COVID-19 situation and easing of Government restrictions on public gatherings in place at the time of the Notice and the number of Shareholders that normally attend Shareholder meetings for the Company the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Director's changes prior to the Meeting the Directors will update Shareholders via e-mail.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9093 2477.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.beaconminerals.com.au](http://www.beaconminerals.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

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, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If 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 second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the 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.

## **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

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## **3. RESOLUTION 2 – ELECTION OF DIRECTOR – RODNEY JOHNS**

### **3.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Rodney Johns, having been appointed by other Directors on 21 July 2020 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **3.2 Qualifications and other material directorships**

Mr Johns is a senior mining industry professional with a background in technical expertise, operations management and company development. Mr Johns graduated from the Western Australian School of Mines specialising in metallurgy in 1988. He is currently contracted as an operational and management consultant with Rand Mining and Tribune Resources, overseeing their Australian operations, projects in Ghana and the Philippines. Prior to this Mr Johns was Chief Operating Officer for Echo Resources from November 2016 to July 2018 and previously General Manager/Director of La Mancha Resources Australia from 2009 to 2015.

### **3.3 Independence**

Mr Johns has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Johns will be an independent Director.

### **3.4 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Johns.

### **3.5 Board recommendation**

The Board has reviewed Mr Johns' performance since his appointment to the Board and considers that Mr Johns' skills and experience will continue to enhance



the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Johns and recommends that Shareholders vote in favour of Resolution 2.

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#### **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SARAH SHIPWAY**

##### **4.1 General**

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Ms Sarah Shipway, who has served as a Director since 11 June 2015 and was last re-elected on 7 November 2019, retires by rotation and seeks re-election.

##### **4.2 Qualifications and other material directorships**

Sarah Shipway was appointed Non-Executive Director of the Company on 11 June 2015 and was appointed Company Secretary on 19 March 2012. Ms Shipway is the director in charge of corporate governance and statutory reporting activities. Ms Shipway has a Bachelor of Commerce from Murdoch University and is a member of Chartered Accountants Australia and New Zealand. Ms Shipway is also a Director of St George Mining Limited (ASX: SGQ) and Company Secretary for Cardinal Resources Limited (ASX/TSX: CDV) and St George Mining Limited (ASX: SGQ).

##### **4.3 Independence**

If re-elected the Board considers Ms Shipway will be an independent Director.

##### **4.4 Board recommendation**

The Board has reviewed Ms Shipway's performance since her appointment to the Board and considers that Ms Shipway's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Ms Shipway and recommends that Shareholders vote in favour of Resolution 3.

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#### **5. RESOLUTION 4 – ISSUE OF OPTIONS TO DIRECTOR – RODNEY JOHNS**

##### **5.1 General**

Mr Rodney Johns was appointed as a Non-Executive Director of the Company on 20 July 2020. Under Mr Johns' Letter of Appointment as Non-Executive Director of the Company (**Letter of Appointment**) the Company will pay Mr Johns \$40,000 per annum plus superannuation entitlements and a fee of \$1,500 per day (based on an 8-hour workday) for any services provided to the Company outside of Mr Johns' role. Further pursuant to the Letter of Appointment, the Company has agreed, subject to obtaining Shareholder approval, to issue 10,000,000 Options (**Related Party Options**) to Mr Johns (or his nominee) on the terms and conditions set out below.

Resolution 4 seeks Shareholder approval for the issue of the Related Party Options to Mr Johns (or his nominee).

##### **5.2 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The issue of Related Party Options to Mr Johns (or their nominee) constitutes giving a financial benefit and Mr Johns is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Johns who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Johns, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **5.3 Listing Rule 10.11**

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Related Party Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 4 seeks the required Shareholder approval for the issue of the Related Party Options under and for the purposes of Listing Rule 10.11.

### **5.4 Technical information required by Listing Rule 14.1A**

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Related Party Options to Mr Johns within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Options (because approval is being obtained under Listing

Rule 10.11), the issue of the Related Party Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Related Party Options.

## **5.5 Technical Information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 4:

- (a) the Related Party Options will be issued to Mr Johns (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Johns is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Related Party Options to be issued is 10,000,000;
- (c) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (d) the Related Party Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Related Party Options will be nil. The Company will not receive any other consideration in respect of the issue of the Related Party Options (other than in respect of funds received on exercise of the Related Party Options);
- (f) the purpose of the issue of the Related Party Options is to provide a performance linked incentive component in the remuneration package for Mr Johns to motivate and reward their performance as a Director and to provide cost effective remuneration to Mr Johns, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Johns;
- (g) the current total remuneration package for Mr Johns is \$43,800, comprising of directors' fees of \$40,000, a superannuation payment of \$3,800. Mr Johns is also paid a daily rate of \$1,500 for any work performed outside of his role of Non-Executive Director.  
  
If the Related Party Options are issued, the total remuneration package of Mr Johns will increase by \$92,434 to \$136,234, being the value of the Related Party Options (based on the Black Scholes methodology);
- (h) the Related Party Options are being issued to Mr Johns under his Letter of Appointment. A summary of the material terms of the Letter of Appointment is set out in Section 5.1; and
- (i) a voting exclusion statement is included in Resolution 4 of the Notice.

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## 6. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE

### 6.1 General

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 5 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

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

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under 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.

### 6.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 5:

#### (a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

#### (b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that 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 entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 6.2(b)(i), the date on which the Equity Securities are issued.

(b) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate towards the acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration, development and production expenditure at the Company's current and/or new assets and/or general working capital .

(c) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 23 September 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.019	\$0.038	\$0.057
			50% decrease	Issue Price	50% increase
		Funds Raised			
<b>Current</b>	2,864,310,743 Shares	286,431,074 Shares	\$5,442,190	\$10,884,381	\$16,326,571
<b>50% increase</b>	4,296,466,115 Shares	429,646,611 Shares	\$8,163,286	\$16,326,571	\$24,489,857
<b>100% increase</b>	5,728,621,486 Shares	572,862,148 Shares	\$10,884,381	\$21,768,762	\$32,653,142

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 2,864,310,743 existing Shares on issue as at the date of this Notice of Meeting.

2. The issue price set out above is the closing market price of the Shares on the ASX on 23 September 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(d) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and

(vi) advice from corporate, financial and broking advisers (if applicable).

(e) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 7 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 1 November 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

**6.3 Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

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## GLOSSARY

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**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Section 6.1.

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

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

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

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Beacon Minerals Limited (ACN 119 611 559).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

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

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.



**Listing Rules** means the Listing Rules of ASX.

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

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

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

**Section** means a section of the Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## **SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS**

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**1. Entitlement**

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

**2. Exercise Price**

Subject to paragraph 11, the amount payable upon exercise of each Option will be \$0.053 (**Exercise Price**).

**3. Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**4. Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**5. Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**6. Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**7. Change of Control Event**

(a) A **Change of Control** event occurs where:

- (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
- (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the

body corporate resulting from the merger, consolidation or amalgamation; or

- (iv) the Company enters into agreements to dispose of its main business undertaking or the principal assets (whether or not in the form of shares in the Company) of the Company to a person, or a number of persons, and those agreements become unconditional.
- (b) On the occurrence of a Change of Control Event all unvested Options will vest and become exercisable in accordance with clause 7 with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event.
- (c) The Company shall give written notice of any Change of Control Event to each Optionholder. Upon the giving of any such notice a holder may exercise any of their vested Options within the Exercise Period by delivery to the registered office of the Company or such other address as determined by the Board of:
  - (i) a signed Notice of Exercise; and
  - (ii) a cheque or cash or such form of payment determined by the Board in its sole discretion for the amount of the exercise price.

#### **8. Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 8(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

#### **9. Deferred taxation**

Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the Options.

**10. Shares issued on exercise**

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

**11. Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

**12. 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 without exercising the Options.

**13. Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**14. Transferability**

The Options are not transferable.



Beacon Minerals Limited | ACN 119 611 559

# Proxy Voting Form

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

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

## [HolderNumber]

Holder Number:  
[HolderNumber]

Your proxy voting instruction must be received by **10.00am (WST) on Sunday, 8 November 2020**, 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 Chairman 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 Chairman of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy 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](mailto: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)

