



ACN 083 274 024

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**EXPLANATORY STATEMENT**

**AND**

**PROXY FORM**

**Date of Meeting**

Monday 23 November 2020

**Time of Meeting**

3:00 pm

**Place of Meeting**

45 Ventnor Avenue  
WEST PERTH WA 6005

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

**Notice is hereby given** that the 2020 Annual General Meeting (**Meeting**) of Surefire Resources NL (**Surefire or SRN or Company**) will be held at 45 Ventnor Avenue, West Perth, Western Australia on Monday 23 November 2020 at 3:00 pm (AWST).

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

Capitalised terms and abbreviations used in this Notice and Explanatory Statement will, unless the context otherwise requires, have the same meaning as given to them in the Glossary.

#### **Measures to deal with COVID-19**

The Company and Board are acutely aware of the current circumstances resulting from COVID-19 and the impact it is having, and is likely to continue to have, on physical meetings.

To comply with Federal and State government restrictions on social gatherings (and to otherwise ensure the safety of its Shareholders and other participants), the Company may only be able to admit a limited number of persons to the Meeting. Based upon attendances at previous shareholder meetings, there is minimal risk that Shareholders intending to attend the physical Meeting may not be admitted. Circumstances relating to COVID-19 may change rapidly. The Company will update Shareholders if changing circumstances will impact planning for the Meeting. Depending on these eventualities, the Company will inform Shareholders as soon as practicable via the ASX Announcements Release platform.

#### **2020 FINANCIAL STATEMENTS AND REPORTS**

To receive the Financial Report, together with the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2020.

#### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

*"That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2020 Annual Report be and is hereby adopted."*

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

**Voting Exclusion:** The Company will disregard any votes cast in favour of Resolution 1 by, or on behalf of, a member of the key management personnel as disclosed in the Remuneration Report, or a closely related party of those persons. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 2 – RE-ELECTION OF MR ROGER SMITH AS A DIRECTOR**

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

*"That, for the purpose of article 13.2 of the Constitution and for all other purposes, Mr Roger Smith retires by rotation as a Director and, being eligible and having offered himself for re-election, be re-elected a Director of the Company."*

#### **RESOLUTION 3 – APPROVAL TO ISSUE NEW OPTIONS**

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue (on the terms and conditions set out in the Explanatory Statement) of up to 259,076,820 New Options."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 4 – APPROVAL TO RATIFY ISSUE OF SHARES UNDER 10% PLACEMENT CAPACITY**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 62,815,364 fully paid Shares (ASX:SRN).”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 5 – APPROVAL TO RATIFY ISSUE OF SHARES and OPTIONS UNDER 15% PLACEMENT CAPACITY**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 17,184,636 fully paid Shares (ASX:SRN) and 40,000,000 Options (ASX:SRNOC) to acquire fully paid Shares, exercisable at \$0.006 each on or before 30 June 2022.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 6 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO MR VLADIMIR NIKOLAENKO**

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

*“That, for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 70,000,000 New Contributing Shares to Mr Vladimir Nikolaenko on the terms and conditions outlined in the Explanatory Statement (including Annexures) and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”*

**Voting Exclusion:** The Company will, in accordance with the ASX Listing Rules, disregard any votes cast in favour of this Resolution by Mr V Nikolaenko and/or any associates of Mr V Nikolaenko.

However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 7 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO MR MICHAEL POVEY**

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

*“That, for the purpose of Listing Rule 10.11 and for all other purposes, subject to Resolution 6 being approved, Shareholders approve the issue of 20,000,000 New Contributing Shares to Mr Michael Povey on the terms and conditions outlined in the Explanatory Statement (including Annexures) and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”*

**Voting Exclusion:** The Company will, in accordance with the ASX Listing Rules, disregard any votes cast in favour of this Resolution by Mr M Povey and/or any associates of Mr M Povey. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 8 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO MR ROGER SMITH**

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

*“That, for the purpose of Listing Rule 10.11 and for all other purposes, subject to Resolution 6 being approved, Shareholders approve the issue of 30,000,000 New Contributing Shares to Mr Roger Smith on the terms and conditions outlined in the Explanatory Statement (including Annexures) and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”*

**Voting Exclusion:** The Company will, in accordance with the ASX Listing Rules, disregard any votes cast in favour of this Resolution by Mr R Smith and/or any associates of Mr R Smith. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 9 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO TIELEMAN CONSULTANTS (AND/OR NOMINEES)**

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

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, subject to each of Resolutions 3, 4, 5, 6, 7 and 8 being approved, Shareholders approve the issue of up to 20,000,000 New Contributing Shares to Tieleman Consultants (and/or nominees) on the terms and conditions outlined in the Explanatory Statement (including Annexures).”*

**Voting Exclusion:** The Company will, in accordance with the ASX Listing Rules, disregard any votes cast in favour of this Resolution by a person and/or any associates of that person who is anticipated to participate in the issue. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 10 – APPROVAL OF ISSUE OF NEW CONTRIBUTING SHARES TO CPS CAPITAL GROUP PTY LTD (AND/OR NOMINEES)**

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

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, subject to each of Resolutions 3, 4, 5, 6, 7 and 8 being approved, Shareholders approve the issue of up to 60,000,000 New Contributing Shares to CPS Capital Group Pty Ltd (and/or nominees) on the terms and conditions outlined in the Explanatory Statement (including Annexures).”*

**Voting Exclusion:** The Company will, in accordance with the ASX Listing Rules, disregard any votes cast in favour of this Resolution by a person and/or any associates of that person who is anticipated to participate in the issue. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 11 – APPROVAL TO ISSUE SHARES IN LIEU OF MANAGING CONSULTANT’S FEES – MR V NIKOLAENKO**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 10,312,500 Shares to Mr V Nikolaenko or a nominee entity of Mr V Nikolaenko on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by Mr V Nikolaenko and any associate of Mr V Nikolaenko. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 12 – APPROVAL TO ISSUE SHARES IN LIEU OF NON-EXECUTIVE DIRECTOR'S FEES – MR R SMITH**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 6,562,500 Shares to Mr R Smith or a nominee entity of Mr R Smith on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by Mr R Smith and any associate of Mr R Smith. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 13 – APPROVAL TO ISSUE SHARES IN LIEU OF NON-EXECUTIVE DIRECTOR'S FEES – MR M POVEY**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 5,250,000 Shares to Mr M Povey or a nominee entity of Mr M Povey on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by Mr M Povey and any associate of Mr M Povey. However, this does not apply to a vote cast in favour of a resolution by 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 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 in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 14 – APPROVAL OF 10% ADDITIONAL PLACEMENT CAPACITY**

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

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totaling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A2 and on the terms and conditions set out in the Explanatory Statement.”*

## **RESOLUTION 15 – APPROVAL TO ISSUE SHARES**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 200,000,000 Shares at a minimum issue price of 80% of the volume weighted average market price of the Shares on ASX over a specified 5 day period specified in and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, this does not apply to a vote cast in favour of a resolution by 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 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 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.

## **OTHER BUSINESS**

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

## **PROXIES**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a **proxy**) to vote in their place. All Shareholders are encouraged to attend the Meeting or, if they are unable to attend in person, to sign and return the Proxy Form to the Company in accordance with the instructions on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and

- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 5:00pm (AWST) on 21 November 2020 by:

1. post to Advanced Share Registry Limited, 110 Stirling Highway, Nedlands WA 6009 or PO Box 1156, Nedlands WA 6909;
2. facsimile to Advanced Share Registry Limited at (08) 9262 3723 or International: +61 8 9262 3723;
3. email to [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au); or
4. online at [www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login).

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

### **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm (AWST) on 21 November 2020 will be entitled to attend and vote at the General Meeting.

### **CORPORATIONS**

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

### **ELECTRONIC COMMUNICATION;**

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

### **REVOCATION OF PROXIES**

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

### **VOTING OF PROXIES**

The Proxy Form accompanying this Notice confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By order of the Board.

Vladimir Nikolaenko

**Managing Director**

Date: 22 October 2020



## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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**This Explanatory Statement** accompanies and comprises part of the notice (**Notice**) convening the Annual General Meeting (**Meeting**) of Shareholders of Surefire Resources NL to be held Monday 23 November 2020.

Capitalised terms in this Explanatory Statement are defined in the **Glossary**.

### FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2020.

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

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- (a) discuss the Annual Report which is available online from the Company's website at [www.surefireresources.com.au](http://www.surefireresources.com.au)
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the AGM,

may be submitted no later than 5 business days before the Meeting to the Company by email to [info@surefireresources.com.au](mailto:info@surefireresources.com.au) or delivered to the Company's registered office.

### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 1.1 General

Section 250R of the Corporations Act requires the Company to put the Remuneration Report to members for adoption. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site [www.surefireresources.com.au](http://www.surefireresources.com.au).

The vote of the members is advisory only and does not bind the Directors of the Company.

Following consideration of the Remuneration Report, members will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Chair intends to exercise all available proxies in favour of Resolution 1.

### RESOLUTION 2 – RE-ELECTION OF MR ROGER SMITH AS A DIRECTOR

#### 2.1 Introduction

Mr Smith was appointed as a Director on 29 November 2017. He retires in accordance with the Listing Rules and the Company's Constitution and, being eligible, offers himself for re-election.

Mr Smith has served on a number of boards of listed companies as both a Non-Executive Chairman and Non-Executive Director as well as having held a number of proprietary company directorships. Mr Smith has been successful in the operation of wholesale/retail businesses, property development and the hotel industry.

Further details in relation to Mr Smith's remuneration, interests in and services to the Company are set out in the Annual Report. The Board considers Mr Smith to be an independent Director.

#### 2.2 Directors' Recommendation

The Directors, except Mr Smith, who has an interest in this Resolution, recommend Shareholders vote in favour of Resolution 2.

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

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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### 3. RESOLUTION 3 – APPROVAL TO ISSUE NEW OPTIONS

#### 3.1 General

On 20 July 2020, the Company announced that it intended to transact a Private Option Placement of 259,076,820 New Options to raise up to \$259,077, before costs. The proceeds are intended to be applied to progressing exploration at the Company's gold projects in Western Australia.

These New Options to acquire fully paid ordinary Shares will be issued to sophisticated and professional investors, with the placement being made at \$0.001 per New Option (each New Option being exercisable at \$0.006, on or before 30 June 2022 and otherwise on the terms and conditions outlined in Annexure A).

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 shares it had on issue at the start of that period.

The Private Placement Offer does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of SRN's shareholders under Listing Rule 7.1.

Resolution 3 seeks the required shareholder approval to the Private Placement Offer under and for the purposes of Listing Rule 7.1.

If resolution 3 is passed, the Directors will be authorised to proceed with the Private Option Placement, issue up to 259,076,820 New Options and receive up to \$259,077 as proceeds from the placement. In addition, the Private Placement Offer will be excluded from the calculation of the number of equity securities that SRN can issue without shareholder approval under Listing Rule 7.1.

If resolution 3 is not passed, SRN will not be able to proceed with the Private Placement Offer, not issue the New Options and not receive the anticipated funds.

#### 3.2 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. The authority will be utilised as follows:

- (a) the Company will issue up to 259,076,820 New Options;
- (b) the Company will issue New Options (and the issue date will be) within 3 months of the date of the Meeting or such later date as may be approved by ASX;
- (c) the issue price will be \$0.001 per New Option;
- (d) the New Options will be exercisable at \$0.006 each on or before 30 June 2022 and when exercised, will convert into fully paid ordinary Shares ranking equally with all other fully paid ordinary Shares then on issue;
- (e) the New Options will be issued as a private placement to numerous sophisticated and professional investors who are not related parties of the Company;
- (f) the funds raised are intended to be applied towards further exploration work on Surefire's exploration projects, to pay for corporate expenses, and possibly to take advantage of new opportunities as they arise (such as new projects); and
- (g) 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. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

#### 3.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 3.

### 4. RESOLUTION 4 – APPROVAL TO RATIFY ISSUE OF SHARES USING 10% PLACEMENT CAPACITY

#### 4.1 General

On 24 September 2020, the Company announced that it had completed a placement of \$1,280,000 before costs to professional and sophisticated investors, allowing the Company to expand exploration and drilling activities on the recently acquired gold projects in Western Australia.

A total of 80,000,000 fully paid ordinary Shares and 40,000,000 options to acquire fully paid Shares (**Options**) were subsequently issued to sophisticated and professional investors on that same date, with the placement being made at \$0.016 per Share.



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The Placement was made within the Company's existing pre-approved Listing Rule 7.1A 10% placement capacity as to 62,815,364 Shares and within its Listing Rule 7.1 15% placement capacity as to 17,184,636 Shares and 40,000,000 Options.

The former Shares, i.e. 62,815,364 Shares are the subject of this Resolution.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1A limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 10% of the fully paid ordinary securities it had on issue at the start of that period.

The Placement does not fit within any of these exceptions and, as it has not yet been approved by SRN's shareholders, it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing SRN's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1A for the 12 month period following the Placement issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1A and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

SRN wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1.

To this end, resolution 4 seeks shareholder approval to the Placement under and for the purposes of Listing Rule 7.4.

If resolution 4 is passed, the Placement will be excluded in calculating SRN's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 4 is not passed, the Placement will be included in calculating SRN's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

### 4.2 Information required by ASX Listing Rule 7.5

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

- (a) 62,815,364 fully paid Shares were allotted and issued by the Company within the Company's Listing Rule 7.1A capacity;
- (b) the issue price was \$0.016 per Share with a free attaching Option;
- (c) the Shares were fully paid ordinary Shares which rank equally with all other fully paid ordinary Shares on issue and currently quoted as ASX:SRN;
- (d) the Shares were issued as a private placement to numerous sophisticated and professional investors who are not related parties of the Company; and
- (e) the funds raised have been or will be applied towards progressing exploration at the Company's West Australian gold targets, related corporate expenses and general working capital.

### 4.3 Directors Recommendation

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

The Chair intends to exercise all undirected proxies in favour of Resolution 4.

## 5. RESOLUTION 5 – APPROVAL TO RATIFY ISSUE OF SHARES and OPTIONS USING 15% PLACEMENT CAPACITY

### 5.1 General

On 24 September 2020, the Company announced that it had completed a placement of \$1,280,000 before costs to professional and sophisticated investors, allowing the Company to expand exploration and drilling activities on the recently acquired gold projects in Western Australia.

A total of 80,000,000 fully paid ordinary Shares and 40,000,000 options to acquire fully paid Shares (**Options**) were subsequently issued to sophisticated and professional investors on that same date, with the placement being made at \$0.016 per Share.

The Placement was made within the Company's existing pre-approved Listing Rule 7.1A 10% placement capacity as to 62,815,364 Shares and within its Listing Rule 7.1 15% placement capacity as to 17,184,636 Shares and 40,000,000 Options.

The latter Shares and Options, i.e. 17,184,636 Shares and 40,000,000 Options are the subject of this Resolution.

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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.

The Placement does not fit within any of these exceptions and, as it has not yet been approved by SRN's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing SRN's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the Placement issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

SRN wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, resolution 5 seeks shareholder approval to the Placement under and for the purposes of Listing Rule 7.4.

If resolution 5 is passed, the Placement will be excluded in calculating SRN's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue Date.

If resolution 5 is not passed, the Placement will be included in calculating SRN's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Placement issue date.

### 5.2 Information required by ASX Listing Rule 7.5

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

- (a) 17,184,636 fully paid Shares and 40,000,000 Options to acquire fully paid Shares were allotted and issued by the Company within the Company's Listing Rule 7.1 capacity;
- (b) the issue price was \$0.016 per Share with a free attaching Option;
- (c) the Shares were fully paid ordinary Shares which rank equally with all other fully paid ordinary Shares on issue and currently quoted as ASX:SRN; the Options were options to acquire fully paid ordinary Shares exercisable at \$0.006 each on or before 30 June 2022 which rank equally with all other Options issued having the same terms and currently quoted as ASX:SRNOC;
- (d) the Shares were issued as a private placement to numerous sophisticated and professional investors who are not related parties of the Company; and
- (e) the funds raised have been or will be applied towards progressing exploration at the Company's West Australian gold targets, related corporate expenses and general working capital.

### 5.3 Directors Recommendation

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

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

## 6. RESOLUTIONS 6, 7 AND 8 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO DIRECTORS

### 6.1 General

The Company has entered into a Deed Poll with each director whereby, subject to Shareholder approval and otherwise upon the terms set out in Annexure B to this Explanatory Statement, the Company has agreed to issue up to a total of 120,000,000 partly-paid ordinary Shares (**New Contributing Shares**) to the directors for an initial consideration of \$0.0001 each New Contributing Share upon application and having a further \$0.0059 payable upon call.

In the event that the issue of the New Contributing Shares to a Director is not approved by Shareholders, the Company is obliged, by the Deed Poll, to pay the affected Director the sum of \$1,000.

The Directors consider that the issue of the New Contributing Shares will be a cost effective and efficient means for the Company to provide an incentive and motivate the contribution of special exertion without routine claims to be paid in cash for the same.

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A total of \$12,000 will be raised by the Company upon issue and a further \$708,000 will be raised in the event that the calls on the New Contributing Shares are paid up in full.

### 6.2 ASX Listing Rules 10.11

Surefire is proposing to issue New Contributing Shares to its Directors.

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 New Contributing Shares 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 Surefire's shareholders under Listing Rule 10.11.

Resolutions 6, 7 and 8 seek the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If Resolutions 6, 7 and 8 are passed, Surefire will be able to proceed with the issue and the New Contributing Shares will be issued to the Directors.

If Resolutions 6, 7 and 8 are not passed, Surefire will not be able to proceed with the issue and under the terms of the Deed Poll, each Director will be paid \$1,000.

### 6.3 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) the New Contributing Shares will be issued to Messrs Nikolaenko, Povey and Smith (or their nominees);
- (b) Messrs Nikolaenko, Povey and Smith are directors of the Company and are thus related parties;
- (c) the maximum number of New Contributing Shares to be issued is 120,000,000 (70,000,000 New Contributing Shares to Mr Nikolaenko, 20,000,000 New Contributing Shares to Mr Povey and 30,000,000 New Contributing Shares to Mr Smith);
- (d) the New Contributing Shares will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow);
- (e) the New Contributing Shares will be issued for \$0.0001 each with an additional \$0.0059 each being payable upon conversion into fully paid ordinary Shares and otherwise on the terms and conditions outlined in Annexure B;
- (f) a voting exclusion statement is included in the Notice; and
- (g) A total of up to \$12,000 will be raised from the issue of the New Contributing Shares.

### 6.4 Chapter 2E of the Corporations Act – related party transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

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Each of Resolutions 6, 7 and 8 provides for the issue of New Contributing Shares to related parties which is a financial benefit requiring Shareholder approval unless an exemption from the requirement for such approval applies. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

### ***The related party to whom the proposed Resolutions would permit the financial benefit to be given***

Subject to Shareholder approval, the New Contributing Shares the subject of Resolutions 6, 7 and 8 will be issued to Messrs Nikolaenko, Povey and Smith (or their nominees), within one month of the passing of the Resolutions. Messrs Nikolaenko, Povey and Smith are Directors of the Company and are therefore classified as related parties.

### ***The nature of, reasons for and basis for the financial benefit***

The proposed financial benefits are the issue of 70,000,000 New Contributing Shares to Mr Nikolaenko, 20,000,000 New Contributing Shares to Mr Povey and 30,000,000 New Contributing Shares to Mr Smith or their nominees, for an issue price of \$0.0001 each New Contributing Share.

The New Contributing Shares will form part of Messrs Nikolaenko, Povey and Smith's remuneration for service as directors of the Company and constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.

The issue of securities are considered to be an appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. If Messrs Nikolaenko, Povey and Smith are to derive any intrinsic value from the conversion of the New Contributing Share into Fully Paid Shares, the market Share price must be in excess of \$0.006 per quoted ASX:SRN share, being the sum of the amount payable upon issue (\$0.0001 each) and the then remaining unpaid amount of \$0.0059 each. The New Contributing Shares represent an incentive to Messrs Nikolaenko, Povey and Smith to increase the Share price so that they can realise a significant gain from the disposal of their interests in the New Contributing Shares, thus aligning their personal interests with those of other Shareholders.

### ***Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers***

- (a) Resolutions 6, 7 and 8, if passed, will have the effect of giving power to the Directors to issue up to a total of 120,000,000 New Contributing Shares to Messrs Nikolaenko, Povey and Smith, or their respective nominees.
- (b) The issue of the New Contributing Shares is subject to the terms and conditions as set out in Annexure B to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors have obtained an independent valuation of the New Contributing Shares from Provisio Corporate, a firm which specialises in corporate risk management and share security valuation services.
- (d) The total (indicative) value of the New Contributing Shares is outlined in Table 1. If New Contributing Shares issued to Messrs Nikolaenko, Povey and Smith, or their nominees, are paid up in full, the effect would be to dilute the Shareholdings of the other Shareholders.

**Table 1 - Details of Director New Contributing Shares**

<b>Name Relationship</b>	<b>Number of New Contributing Shares</b>	<b>Issue price Per New Contributing Share</b>	<b>Total Payable on Issue</b>	<b>Value as determined by Independent Valuation See (i) below</b>
Vladimir Nikolaenko Managing Director	70,000,000	\$0.0001	\$7,000	\$140,000
Michael Povey Non-executive Director	20,000,000	\$0.0001	\$2,000	\$40,000
Roger Smith Non-executive Director	30,000,000	\$0.0001	\$3,000	\$60,000

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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### (i) New Contributing Share Valuation Inputs

The following extract from Provisio Corporate's report details the valuation methodology adopted:

"We have been requested to provide an independent valuation for accounting purposes of the estimated value of the Contributing Shares which are to be issued to Directors by Surefire Resources NL (**Surefire**) pursuant to a Deed Poll executed on 20<sup>th</sup> July 2020. Under the Terms and Conditions (attached as Annexure 1) of issue, each Contributing Share will be issued in consideration of the sum of \$0.0001 and has an unpaid amount of a further \$0.0059 which is callable at the discretion of the Board. The objective is to value the Contributing Shares in accordance with AASB 2 for reporting the value in the Company's financial accounts.

The key factor in valuing the Contributing Shares is to correctly assess the probability of the Board calling the unpaid amount and the conditions under which the holders of those Contributing Shares will choose to pay that call.

#### **Modelling Option Valuation based on Market Conditions:**

Monte Carlo simulation models: The simplest way to assess the probabilities associated with complex interrelationships is to construct appropriately structured Monte Carlo simulation model. We used a model to generate 1000 random price paths over the course of a year and used each of the 1000 randomised price paths to determine a theoretical value at the time and price which can be used as an input to the valuation model.

Whilst these are Contributing Shares, in many respects the call nature of the contribution means the valuation models should be based upon a binomial lattice as it provides the necessary flexibility to accommodate various possible outcomes conditions such as the likelihood of share price volatilities varying over the term of the life of the Contributing Share (which can typically be years in duration), the likelihood of the holder not paying the contribution when called and/or forfeiting the right to pay up the Contributing Shares in the event of leaving employment – except in the event of the employee leaving when, if the Contributing Shares are in-the-money at that point, it is assumed that the Contribution Shares are paid up upon their leaving.

Notwithstanding the foregoing, it is worth noting that all other things are the same (i.e. single fixed values for volatility and the risk-free rate, and excluding more complex conditions, etc.), then the results produced by the binomial model will converge to give the same answer as the Black-Scholes model as each time interval used in the binomial lattice gets smaller and smaller (i.e. as one creates a greater and greater number of nodes to value within a given option's life). As such we used the end price of each of the 1000 random price paths as the input to a Black-Scholes model to determine a valuation and then used the average of the 1000 iterations to calculate a fair and reasonable valuation.

Share price: We used the underlying ASX:SRN share price in the valuation including the last trading closing share price at the Valuation Date which was the date the Deed Poll was entered into, namely 20 July 2020.

Volatility: The volatility used in the modelling is critical to the value assigned as volatility, even of whole markets, is a measure which can fluctuate considerably over time – though it is also generally acknowledged to have the property of tending to regress towards the mean (i.e. move towards its long term average value). This characteristic is perceived to hold true for not only individual securities but for whole markets. When assessing the measures of volatility we used a GARCH analysis model – which provides a forecast which is essentially an exponentially weighted average value with the added refinement of incorporating regression, over time, towards the mean of the historical trend line.

In our valuation models we modelled a range of implied volatilities derived from Surefire's historical share price. However, the historical volatilities derived using the Surefire share price are higher than the ASX average market volatilities which reflect the fact that share price can have a low daily volume and can move substantially in a short timeframe. As such, for the valuation we have settled upon an implied volatility of 85%. It is recognized that this volatility is higher than the overall ASX market implied volatility and reflects the high percentage variability in the share price due to its extremely low share price.

*Further notes on modelling methodology.* The high volatility in Surefire's share price combined to make the valuations sensitive to the simulation run. The solution was to adjust for volatility drag. This brought the Monte Carlo valuations into line with other Binomial option models that were used to confirm the valuations.

Time to expiry: The valuations were done individually for each year out to five years and the median three year average valuations were used.

Risk free rate: Though with interest rates trading near historical lows, it is arguable that the government bond rate is the correct rate to use, it is nonetheless the required input. Given that rates may move from the current historical low over the life of the life of the Contributing Share a 'risk free' rate assumption of 1.5% was used.

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Dividend yield: We have assumed that it is highly unlikely that the company will pay a dividend during the life of the Contributing Shares.

### Valuation

Based on the above methodology, we place a valuation of between \$0.00175 and \$0.00250 per Contributing Share, with **a fair and reasonable valuation being \$0.0020 per Contributing Share as at 20 July 2020.** “

- (e) Applying the valuation methodology prescribed by the employee share scheme provisions of the Income Tax Assessment Act, the New Contributing Shares have minimal value. The Company believes that the employee share scheme provisions of the ITAA will be applicable to the New Contributing Shares.
- (f) As at the date of this Notice, the issued capital of the Company comprised 708,153,640 Shares and 300,252,600 pre-existing Contributing Shares. If all New Contributing Shares are issued as proposed above, and assuming no other equity issues, the effect will be to dilute the Shareholding of existing Contributing Shareholders as per the table below:

Current Contributing Shares on issue	300,252,600
New Contributing Shares to be issued	120,000,000
<b>Expanded Contributing Shares</b>	<b>420,252,600</b>
Dilutionary effect	<b>28.55%</b>

- (g) The current relevant interest of each Director in securities of the Company is:

Director	Shares	Contributing Shares	Options (Terms and conditions outlined in Annexure A)
Mr Nikolaenko	121,953,917	67,188,767	60,726,959
Mr Smith	6,380,155	1,469,178	3,190,078
Mr Povey	1,797,945	1,797,945	898,973

- (h) Whilst the fully paid ordinary Shares and the Options expiring 30 June 2022 are traded on ASX, there is no agreement to list the Contributing Shares or the Options expiring 25 May 2021 on ASX.
- (i) Mr Nikolaenko currently receives annual managing consultant's fees of \$300,000 with no additional entitlements to statutory superannuation or other director fees. Both Messrs Smith and Povey currently receive annual directors' fees of \$30,000 with no additional entitlements to statutory superannuation.
- (j) The New Contributing Shares will be issued as additional remuneration for the provision of directorial services.
- (k) Under the Australian equivalent of IFRS, the Company is required to expense the value of the New Contributing Shares in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider, from an economic and commercial point of view, there are any costs or detriments, including taxation consequences for the Company or benefits foregone by the Company, in issuing the New Contributing Shares to Messrs Nikolaenko, Smith and Povey or their nominees pursuant to Resolutions 6, 7 and 8 EXCEPT FOR the cost of foregoing the opportunity to issue the New Contributing Shares for cash and the downstream potential to dilute the capital structure of the Company.
- (l) Save as set out herein, neither the Company nor any of the Directors is aware of any other information that would be reasonably required by Shareholders for them to make a decision in relation to the financial benefits contemplated by these Resolutions 6, 7 and 8.

### 5.5 Directors' recommendation

- (a) All Directors, except Mr Nikolaenko, recommend Shareholders vote in favour of Resolutions 7 and 8. Mr Nikolaenko does not make a recommendation about Resolution 6 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of New Contributing Shares and does not consider himself sufficiently independent to make a recommendation.



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- (b) All Directors, except Mr Povey, recommend Shareholders vote in favour of Resolutions 6 and 8. Mr Povey does not make a recommendation about Resolution 7 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of New Contributing Shares and does not consider himself sufficiently independent to make a recommendation.
- (c) All directors, except Mr Smith, recommend Shareholders vote in favour of Resolutions 6 and 7. Mr Smith does not make a recommendation about Resolution 8 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of New Contributing Shares and does not consider himself sufficiently independent to make a recommendation.

### **9. RESOLUTION 9 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO TIELEMAN CONSULTANTS (AND/OR NOMINEES)**

#### **9.1 General**

If Resolutions 4, 5, 6, 7 and 8 are approved, the Company seeks approval, pursuant to a Deed Poll entered into with Tieleman Consultants whereby, subject to Shareholder approval and otherwise upon the terms set out in Annexure B to this Explanatory Statement, to issue New Contributing Shares to Tieleman Consultants (and/or nominees) who have been important to the Company's continued corporate administration and have performed services at less than market rates. The New Contributing Shares will be issued at the discretion of the Board in order to incentivise and remunerate them for services previously provided and yet to be provided to the Company.

Resolution 9 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 20,000,000 New Contributing Shares to Tieleman Consultants (and/or nominees).

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 shares it had on issue at the start of that period.

The issue of New Contributing Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of SRN's shareholders under Listing Rule 7.1.

Resolution 9 seeks the required shareholder approval to the issue of New Contributing Shares under and for the purposes of Listing Rule 7.1.

If resolution 9 is passed, the Directors will be authorised to issue the New Contributing Shares to Tieleman Consultants, and receive \$2,000 as proceeds from the issue. In addition, the issue of New Contributing Shares will be excluded from the calculation of the number of equity securities that SRN can issue without shareholder approval under Listing Rule 7.1.

If resolution 9 is not passed, SRN will not be able to proceed with the issue of New Contributing Shares, and not receive the anticipated funds. Tieleman Consultants will then consider increasing the rate at which consulting services are being provided to the Company.

#### **9.2 Information required by ASX Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3:

- (a) If Resolutions 4, 5, 6, 7 and 8 are approved, the Company will issue up to 20,000,000 New Contributing Shares;
- (b) the Company will issue the New Contributing Shares (and the issue date will be) within 3 months of the date of the Meeting or such later date as may be approved by ASX;
- (c) each New Contributing Share will be issued for \$0.0001 each;
- (d) the New Contributing Shares will be issued on the terms and conditions set out in Annexure B;
- (e) the New Contributing Shares will be issued to Tieleman Consultants at the discretion of the Board;
- (f) the Company shall not apply to have the New Contributing Shares quoted; and
- (g) a total of \$2,000 will be raised from the issue of the New Contributing Shares.

#### **8.3 Directors Recommendation**

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 9.

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### 10. RESOLUTIONS 10 – APPROVAL TO ISSUE NEW CONTRIBUTING SHARES TO CPS CAPITAL GROUP PTY LTD (AND/OR NOMINEES)

#### 10.1 General

If Resolution 3 is approved, the Company's brokers have agreed to source approved applicants for the intended placement to raise up to \$259,077 before costs through the Placement of 259,076,820 Options at an issue price of \$0.001 per Option (to acquire a listed fully paid ordinary Share, exercisable at \$0.006 each, on or before 30 June 2022) to sophisticated and professional investors under section 708 of the Corporations Act. The agreement to issue the New Options was subject to Surefire receiving shareholder approval, or earlier if otherwise permitted under ASX listing rules.

Pursuant to a mandate agreement, it has been agreed that conditional upon the placement being effected, CPS Capital Group Pty Ltd will be paid an underwriting fee of 6% (plus applicable GST) of the amount subscribed. Subject to Resolutions 3, 4, 5, 6, 7 and 8 being approved, the Shareholders are being requested to authorise the Board to issue up to a total of 60,000,000 New Contributing Shares at an issue price of \$0.0001 each.

Resolution 10 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 60,000,000 New Contributing Shares to CPS Capital Group Pty Ltd (and/or nominees).

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 shares it had on issue at the start of that period.

The issue of New Contributing Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of SRN's shareholders under Listing Rule 7.1.

Resolution 10 seeks the required shareholder approval to authorise the Board to issue the New Contributing Shares under and for the purposes of Listing Rule 7.1.

If resolution 10 is passed, the Directors will be authorised to issue New Contributing Shares to CPS Capital Group Pty Ltd (and/or nominees), and receive up to \$6,000 as proceeds from any issue. In addition, the issue of New Contributing Shares will be excluded from the calculation of the number of equity securities that SRN can issue without shareholder approval under Listing Rule 7.1.

If resolution 10 is not passed, SRN will not be able to proceed with any issue of New Contributing Shares, and not receive the anticipated funds.

#### 10.2 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3:

- (a) the Company will be authorised to issue up to 60,000,000 New Contributing Shares;
- (b) the Company will issue the New Contributing Shares (and the issue date will be) within 3 months of the date of the Meeting or such later date as may be approved by ASX but the intention is to issue the New Contributing Shares as soon as possible after the Meeting;
- (c) each New Contributing Share will be issued for \$0.0001 each to CPS Capital Group Pty Ltd (and/or nominees) as the broker to the non-renounceable rights issue finalised 8 September 2020 and the anticipated Placement (the subject of Resolution 3) being effected, for their continued support and management;
- (d) the New Contributing Shares will be issued on the terms and conditions set out in Annexure B;
- (e) the New Contributing Shares will be issued to CPS Capital Group Pty Ltd (and/or their nominee/s), none of whom are related parties of the Company;
- (f) the Company shall not apply to have the New Contributing Shares quoted; and
- (g) a total of up to \$6,000 will be raised from the issue.

#### 10.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 10.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

### 11. RESOLUTIONS 11 AND 12 AND 13 – APPROVAL TO ISSUE SHARES IN LIEU OF MANAGING CONSULTANT AND NON-EXECUTIVE DIRECTOR'S FEES

#### 11.1 General

The Company's directors, Messrs V Nikolaenko, M Povey and R Smith, have elected to convert a portion of their accrued and unpaid managing consultants and non-executive director fees into Shares in the Company, subject to shareholder approval.

These fees have been treated as accrued expenses in the records of the Company and reported in the Full and Half Year Reports. The Company is proposing that a proportion of the accrued and unpaid expenses be paid by the issue of Shares to each of the directors. The conversion of these fees to Shares is conditional on the proposed recipient's approval.

For a period, the Directors have elected to accrue their fees for services to the Company. This has allowed the Company to apply those funds which would have been applied to Directors' remuneration, to its exploration programs.

Shares to be issued to the Directors have been determined based on:

- (a) Their respective yearly director fees and are issued in lieu of director fee payments owing for each of the Directors for the relevant period of the accrual: and
- (b) A price of \$0.008 per share

The VWAP of shares for the 90 day period preceding this notice of meeting (being 1 June 2020 to 31 August 2020) was \$0.0069 per Share.

The most recent placement of 125,000,000 fully paid shares were issued on 3 October 2019 at \$0.0092 per share.

It is proposed that the Company issues shares in lieu of Director's fees at \$0.008 per share, being a 16% premium to the 90 day VWAP, a 13% discount to the October 2019 placement issue price and a 33% premium to the exercise price of New Options issued on 25 August 2020.

Under Resolutions 11, 12 and 13, the Company is seeking Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares to each of the Directors in lieu of a portion of Director's fees to 30 June 2020.

#### 11.2 ASX Listing Rules 10.11

Surefire is proposing to issue Shares to its Directors.

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 Shares 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 Surefire's shareholders under Listing Rule 10.11.

Resolutions 11, 12 and 13 seek the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If Resolutions 11, 12 and 13 are passed, Surefire will be able to proceed with the issue and fully paid Shares will be issued to the Directors.

If Resolutions 11, 12 and 13 are not passed, Surefire will not be able to proceed with the issue and the full amount of the outstanding invoices will be paid to the Directors, thus deleting the Company's cash reserves.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares as approval is being obtained under ASX Listing Rule 10.11. The issue of the Shares will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

The names of the Directors:	Vladimir Nikolaenko – Managing Director and Consultant Michael Povey – Non-executive Director Roger Smith – Non-executive Director
The Shares will be issued to:	Vladimir Nikolaenko, or entities associated with Mr Nikolaenko Michael Povey, or entities associated with Mr Povey Roger Smith, or entities associated with Mr Smith
The maximum number of Shares to be issued	Vladimir Nikolaenko - 10,312,500 fully paid ordinary shares in satisfaction of unpaid managing consultant's fees to 30 June 2020 of \$82,500 (incl GST); Michael Povey – 5,250,000 fully paid ordinary shares in satisfaction of unpaid director's fees to 30 June 2020 of \$42,000; Roger Smith – 6,562,500 fully paid ordinary shares in satisfaction of unpaid director's fees to 30 June 2020 of \$52,500.
The date by which the Shares will be issued:	The Shares will be issued as soon as practicable, but in any event will be issued no later than one month after the General Meeting
The issue price of the Shares:	\$0.008 per Share
The terms of issue of the Shares:	The Shares will rank equally with the ordinary shares already on issue by the Company
The intended use of funds raised:	As the Shares will be issued in exchange for managing consultant and non-executive directors' fees outstanding to 30 June 2020, no funds will be raised

### 11.3 Chapter 2E Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. The issue of Shares contemplated by Resolutions 11, 12 and 13 constitutes the provision of a financial benefit to a related party.

The Board has considered the application of Chapter 2E of the Corporations Act (related party provisions) and has resolved that the arm's length and reasonable remuneration exceptions provided by sections 210 and 211 of the Corporations Act are relevant in the circumstances and accordingly, the Company will not also seek approval for the issue of Shares pursuant to section 208 of that Act.

### 11.4 Directors' recommendation

- (a) All Directors, except Mr Nikolaenko, recommend Shareholders vote in favour of Resolutions 12 and 13. Mr Nikolaenko does not make a recommendation about Resolution 11 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of Shares and does not consider himself sufficiently independent to make a recommendation.
- (b) All Directors, except Mr Povey, recommend Shareholders vote in favour of Resolutions 11 and 13. Mr Povey does not make a recommendation about Resolution 12 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of Shares and does not consider himself sufficiently independent to make a recommendation.
- (c) All directors, except Mr Smith, recommend Shareholders vote in favour of Resolutions 11 and 12. Mr Smith does not make a recommendation about Resolution 13 as he will receive a financial benefit from the passing of the Resolution in relation to the issue of Shares and does not consider himself sufficiently independent to make a recommendation.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

### 14. RESOLUTION 14 – APPROVAL OF 10% PLACEMENT CAPACITY

#### 14.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities up to an additional 10% of its issued capital.

Accordingly, the effect of Resolution 14, if passed, will be to allow the Company to issue that number of Equity Securities that is equal to 10% of the number of Shares that are on issue during the period ending on the date that is 12 months after the Meeting (**Additional Placement Capacity**), in addition to the 15% permitted under ASX Listing Rule 7.1 and without subsequent Shareholder approval.

If Shareholders approve Resolution 14, the total number of Equity Securities the Company may issue pursuant to the Additional Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 13.2 below).

As at the date of this Notice, the Company has 708,153,640 fully paid ordinary Shares on issue. The Company currently has the remaining capacity to issue 37,038,410 Equity Securities under ASX Listing Rule 7.1.

If Resolution 14 is passed, the Company will have the capacity to issue a further 70,815,364 Equity Securities under ASX Listing Rule 7.1A.

If Resolution 14 is not passed, the Company will not be able to access the Additional Placement Capacity to issue Equity Securities without Shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in ASX Listing Rule 7.1.

Resolution 14 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 14 for it to be passed.

Set out below is more background information on ASX Listing Rule 7.1A and the specific disclosures required by ASX Listing Rule 7.3A.

#### 14.2 Description of ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek Shareholder approval by special resolution at its annual general meeting to have the Additional Placement Capacity.

**An entity will be an "Eligible Entity" if, as at the date of the relevant annual general meeting, the relevant entity:**

- a) is not included in the S&P/ASX300 Index; and
- b) has a maximum market capitalization (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300 million.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$17 million.

Pursuant to the Additional Placement Capacity, the Company may only issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the class of the Company's Equity Securities that are quoted on ASX are Shares (ASX:SRN) and Options (ASX:SRNOC).

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

**(A x D) – E**

**Where:**

**A** is the number of fully paid ordinary shares on issue at commencement of the relevant period:

- (i) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus the number of Shares issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - 1. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

2. the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rules 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 with ASX Listing Rule 7.2 exception 16 where;
    1. the agreement was entered into before the commencement of the relevant period; or
    2. the agreement or issue was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
  - (iv) plus the number of any other Shares issued in the relevant period with approval under ASX Listing Rules 7.1 or 7.4;
  - (v) plus the number of partly paid shares that became fully paid ordinary Shares in the relevant period;
  - (vi) less the number of fully paid ordinary Shares cancelled in the relevant period.
- D** is 10%;
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by holders of Shares under Listing Rule 7.4.

**Relevant period** means the 12 month period immediately preceding the date of the issue or agreement.

The Company, as at the date of the Notice, has on issue four classes of Equity Securities, being listed fully paid Shares (**ASX:SRN**), listed Options (**ASX:SRNOC**) (exercisable at \$0.006 each, on or before 30 June 2022), unlisted partly-paid Shares and unlisted Options (exercisable at \$0.018 each, on or before 25 May 2021).

### 14.3 Information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, the Company provides the following information:

(a) *Minimum Issue Price*

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price (VWAP) of 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 securities are to be issued is agreed; or
- (ii) if the securities are not issued within 10 trading days of the above date, the date on which the securities are issued.

(b) *Date of Issue*

Equity Securities may be issued under the Additional Placement Capacity during the period commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) The time and date of the Company's next annual general meeting; and
- (iii) The date of approval by Shareholders of any transaction under the ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid), (**Additional Placement Capacity Period**).

(c) *Risk of Voting Dilution*

If Equity Securities are issued pursuant to the Additional Placement Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A (i.e. the date of Meeting, if Resolution 14 is passed); and
- (ii) Equity Securities may be issued under the Additional Placement Capacity at a discount to the market price for those securities on the issue date,



## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula in Listing Rule 7.1A.2 (assuming that Resolution 13 is passed by Shareholders), on the basis of the current market price of Shares and the current number of Shares on issue as at the date of this Notice.

The Board is of the view that the Scenarios 2 and 3 are unlikely to arise, however certain aspects of these scenarios are specifically required to be set out by the ASX Listing Rules and are therefore included as per those rules. Accordingly, the assumptions below are hypothetical and should not be viewed as an indication as to future issue prices, the performance of the Company's Share price or the number of shares on issue.

The table assumes differing numbers of Shares on issue (i.e. variable "A" in the above formula) and issue prices for Shares over three scenarios, but in each scenario, it is assumed that the Company issues the maximum number of Shares available under the Additional Placement Capacity. For example:

- (i) Variable "A" differs across each scenario. Scenario 1 assumes there is no change to the number of Shares on issue. Scenarios 2 and 3 then assume an increase of 50% and 100% (respectively) to the number of Shares on issue. There may be an increase in the number of Shares on issue as a result of issues that do not require Shareholder approval (i.e. a pro rata entitlement offer).
- (ii) Within each scenario, three different issue prices for the Shares are assumed. One of the issue prices is the closing Share price on 21 October 2020 (being the last practicable trading day prior to the date of this Notice). The other two issue prices then assume a 50 decrease to that closing Share price and a 100% increase to that price.

Number of Shares on issue ("A" in ASX Listing Rule 7.1A.2)	Issue Price per Share	Dilution		
		\$0.016 50% decrease in Issue Price	\$0.032 Issue Price (i.e. closing price on 21 October 2020)	\$0.064 100% increase in Issue Price
<b>Scenario 1</b> <b>Current Variable A</b> <b>(Shares)</b>	<b>10% dilution</b>	70,815,364 FP Shares		
708,153,640 FP Shares	<b>Funds raised</b>	\$1,133,045	\$2,266,091	\$4,532,183
<b>Scenario 2</b> <b>50% increase in Variable A (Shares)</b>	<b>10% dilution</b>	106,223,046 FP Shares		
1,062,230,460 FP Shares	<b>Funds raised</b>	\$1,699,568	\$3,399,1367	\$6,798,274
<b>Scenario 3</b> <b>100% increase in Variable A (Shares)</b>	<b>10% dilution</b>	141,630,728 FP Shares		
1,416,307,280 FP Shares	<b>Funds raised</b>	\$2,266,091	\$4,532,183	\$9,064,366

The scenario-analysis in the above table has been prepared on the following assumptions:

- (i) There are currently 708,153,640 fully paid ordinary Shares on issue as at the date of this Notice of Meeting.
- (ii) The issue price set out in the fourth column above is the closing price of the Shares on ASX on 21 October 2020 (being the last practicable trading date prior to the date of this Notice).
- (iii) The Company issues the maximum possible number of Shares under the Additional Placement Capacity.
- (iv) 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%.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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- (vi) *Other than as indicated in the table, the Company does not issue any additional Shares during the Additional Placement Capacity period.*
- (vii) *The table shows only the effect of issues of Shares under ASX Listing Rule 7.1A, not under the existing 15% placement capacity under ASX Listing Rule 7.1.*
- (viii) *No Options are exercised during the Additional Placement Capacity Period and before the date of the issue of the Shares*
- (ix) *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.*
- (d) *Purpose of Issue under Additional Placement Capacity*

The issue under ASX Listing Rule 7.1A can only be made for cash consideration. The purpose of any issue would be set out for Shareholders at the time of such an issue. However, in general terms, the Company could issue Equity Securities under the Additional Placement Capacity to raise cash to fund the Company's forward exploration and development work programs, for general working capital expenses, or acquiring new assets (including any expenses associated with such an acquisition).
- (e) *Allocation Policy under the Additional Placement Capacity*

The identity of places for the issue of Equity Securities under the Additional Placement Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

Accordingly, the recipients of any Equity Securities to be issued under the Additional Placement Capacity 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 Additional Placement Capacity, having regard to the following factors:

  - i) The purpose of the issue;
  - ii) Alternative methods for raising funds available to the Company at the time, including, but not limited to, a pro-rata entitlement offer 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 limited to, the financial position and solvency of the Company;
  - v) Prevailing market conditions; and
  - vi) Advice from corporate, financial and broking advisors (if applicable).

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

(f) *Previous Approval Under ASX Listing Rule 7.1A*

The Company has issued the following Equity Securities under ASX Listing Rules 7.1 and 7.1A.2 in the 12 months preceding the date of this Meeting:

Date of Issue	Number of Securities	Class	Issue Price	Premium to market price on date of issue	Total Consideration	Basis of allotment
<b>Securities issued without Shareholder approval and not under an exception to Listing Rule 7.1</b>						
23/9/2020	17,184,636	FP Shares	\$0.016	6.67%	\$274,954	Placement to sophisticated and/or professional investors
23/9/2020	40,000,000	Options to acquire FP Shares	Free attaching			
<b>Shares issued under Listing Rule 7.1A 10% Placement Capacity</b>						
23/9/2020	62,815,364	FP Shares	\$0.016	6.67%	\$1,005,046	Placement to sophisticated and/or professional investors
<b>TOTALS</b>	<b>120,000,000</b>				<b>\$1,280,000</b>	

(g) *Proposed Issue of Equity Securities*

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A.2. As such, no voting exclusion statement is required for this Notice.

### 14.4 Directors' Recommendation

Based on the information available, including the information contained in this Explanatory Statement, all of the Directors consider that this Resolution is in the best interests of the Company and recommend that Shareholders vote in its favour. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of this Resolution will increase the Directors' ability to issue new Shares permitted by the Listing Rules without requiring Shareholder approval.

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

The Chair intends to exercise all undirected proxies in favour of Resolution 14.

## 15. RESOLUTION 15 – APPROVAL TO ISSUE SHARES

### 15.1 General

Surefire continues to search for new mineral exploration, development, and mining opportunities within Australia. The purpose of this resolution is to provide the Company with flexibility to raise funds in order to enable the Company to take advantage of opportunities as they arise (such as new projects), to further its exploration projects, and to pay for corporate expenses.

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 shares it had on issue at the start of that period.

The issue of fully paid ordinary Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of SRN's shareholders under Listing Rule 7.1.

Resolution 15 seeks the required shareholder approval to the issue of fully paid ordinary Shares under and for the purposes of Listing Rule 7.1.

If resolution 15 is passed, the Directors will be authorised to issue a limited number of Shares (subject to the specified pricing constraint being met and within 3 months of the Meeting or such later date as approved by ASX). In addition, the issue of fully paid ordinary Shares will be excluded from the calculation of the number of equity securities that SRN can issue without shareholder approval under Listing Rule 7.1. The Company will not be obligated to utilise this authority.

If resolution 15 is not passed, SRN will not be able to proceed with the issue of fully paid ordinary Shares, and not receive the anticipated funds, thus limiting the ability of the Company to proceed with its exploration program and to pay for corporate expenses.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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### 15.2 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. If the authority is utilised:

- (a) the Company will issue up to 200,000,000 Shares;
- (b) the Company will issue shares (and the issue date will be) within 3 months of the date of the Meeting or such later date as may be approved by ASX;
- (c) the *minimum* issue price per share will be 80% of the volume weighted average market price of the Shares on ASX over the last 5 days on which sales in the Shares were recorded before:
  - (i) the date on which the issue is made; or
  - (ii) if there is a prospectus relating to the issue, the date of the prospectus; or
  - (iii) the date on which the price at which the Shares are to be issued is agreed, provided that the Shares are issued within 5 Trading Days of that date;(the actual issue price, if any, may be higher – and the Directors will endeavour to procure this);
- (d) the Shares will be fully paid ordinary Shares and rank equally with all other Shares on issue;
- (e) subject to the Corporations Act and ASX Listing Rules, the Shares will be issued at the discretion of the Directors to persons who have not been identified as at the date of this Notice but who will not be related parties of the Company;
- (f) the funds raised are intended to be applied towards further exploration work on Surefire's exploration projects, to pay for corporate expenses, and possibly to take advantage of new opportunities as they arise (such as new projects); and
- (g) 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. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

### 15.3 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 15.

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

### 16. PRO FORMA CAPITAL STRUCTURE FOLLOWING MEETING

The Company's capital structure following this Meeting (assuming the maximum issue of Equity Securities pursuant to approvals given under Resolutions 3, 6, 7, 8, 9, 10, 11, 12, 13 and 15 but excluding the issuance of any Shares approved by Resolution 14 Additional Placement Capacity) will be as follows:

Shares	Number
Fully Paid (FP) Ordinary Shares	708,153,640
Issued pursuant to Resolutions 11, 12 and 13	22,125,000
Approval to issue additional FP Shares pursuant to Resolution 15	200,000,000
<b>Total FP Shares following the Meeting</b>	<b>930,278,640</b>
Partly Paid Contributing Shares (PP1) having a total of \$0.027 payable	<b>300,252,600</b>
Partly Paid Contributing Shares (PP2) issued at \$0.0001 each and having a total of \$0.0059 payable:	
Issued pursuant to Resolutions 6, 7, 8, 9 and 10	200,000,000
<b>Total PP2 Shares following the Meeting</b>	<b>200,000,000</b>
Unquoted Options to Acquire Fully Paid Ordinary Shares (Opt1) (exercisable at \$0.018 on or before 25.5.2021)	<b>55,000,000</b>
Quoted Options to Acquire Fully Paid Ordinary Shares (Opt2) (exercisable at \$0.006 on or before 30.6.2022):	
Current	354,076,820
Issued pursuant to Resolution 3	259,076,820
<b>Total Quoted Opt2 Options following the Meeting</b>	<b>613,153,640</b>

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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### GLOSSARY

\$ means Australian dollars.

**Additional Placement Capacity** has the meaning given in Section 14.1 of the Explanatory Statement.

**Additional Placement Capacity Period** has the meaning given in Section 14.3 of the Explanatory Statement.

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

**Annual Report** means the Directors' Report, the Financial Report and Auditor's report in respect of the financial year ended 30 June 2019 (copies of which have been sent to Shareholders who have made an election to receive it and copies of which are available on the Company's web site [www.surefireresources.com.au](http://www.surefireresources.com.au)).

**Associate** has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act.

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

**ASX** means ASX Limited.

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

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

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

**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 Mr Vladimir Nikolaenko, or (if Mr Nikolaenko does not wish to act in that capacity) such other person appointed to chair the Meeting in accordance with the Constitution.

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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;
- a company the member controls; or
- a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company or SRN** means Surefire Resources NL (ACN 083 274 024).

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

**Contributing Share** means a partly-paid Share on issue prior to this Meeting having total calls of \$0.027 unpaid and yet to be called.

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

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

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

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

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

**FP Shares** means fully paid Shares

**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, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**New Contributing Share** means partly-paid ordinary Shares issued upon terms and conditions shown in Annexure B

**New Option** means options to acquire fully paid ordinary Shares issued upon terms and conditions shown in Annexure A

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

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

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

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

**Remuneration Report** means the section of the Directors' Report contained in the Annual Report entitled "remuneration report".

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

**Share** means an ordinary share in the capital of the Company.

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

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



## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

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### **ANNEXURE A** **TERMS AND CONDITIONS** **OPTIONS EXPIRING 30 JUNE 2022**

The Options are issued on the following terms:

1. Each Option may be exercised by giving notice in that regard together with payment of the amount of \$0.006 (**Exercise Price**).
2. Each Option entitles the holder to subscribe for one fully paid ordinary share (**Fully Paid Share**) in Surefire Resources NL ACN 083 274 024 (**SRN** or the **Company**) upon payment of the Exercise Price, and when converted, the Fully Paid Share shall rank pari passu with the existing class of ASX:SRN.
3. The Options will lapse at 5:00 pm on 30 June 2022 (**Expiry Date**).
4. The Options are transferable at any time in accordance with the Corporations Act 2001 and any applicable rules of ASX.
5. There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled (as a consequence of holding Option) to participate in new issues of capital that may be offered to shareholders during the currency of the Options.
6. The Option holder has the right to exercise Options prior to the date for determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 3 business days before the relevant closing date to exercise the Options.
7. Subject to any requirements of the Corporations Act and ASX Listing Rules, the Options do not confer the right to a change in exercise price or the number of securities over which the Option can be exercised.
8. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
9. Unless approved otherwise by the Company on a case-by-case basis (with no obligation on the Company to do so), Options can only be exercised in parcels of not less than 500,000, except where the total Options held by the holder is less than 500,000 (in which case, all Options held by the holder must be exercised and the costs of filing with ASX in connection with the exercise to be borne up front by the Option holder). Subject to ASX listing rules, the Company shall not be obliged to issue Shares in response to an exercise of Options more frequently than once per calendar quarter. The Company may, in its discretion, waive this clause or any part of it and such a waiver may be subject to conditions or further limitations.
10. Subject to clause 9, the Options shall be exercisable at any time during the period (**Exercise Period**) ending on the Expiry Date by: (a) the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by cleared funds for the subscription monies for the Shares; or (b) such other form and method as may be approved by the Company from time to time. The Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it PROVIDED THAT if the remaining number be less than 500,000 those Options shall ipso facto lapse.
11. If the Company has entered into an agreement to underwrite the exercise of the Options and any Options remain unexercised at the Expiry Date, then the holder of those unexercised Options immediately, unconditionally and irrevocably appoints the Company as the Optionholder's agent to transfer (for no consideration to that holder) the unexercised Options to the relevant underwriter and, despite clause 10, that underwriter is entitled to exercise the unexercised Options within 14 calendar days (or such fewer days as the Company may determine in its absolute discretion) of the Expiry Date.
12. Subject to clause 9, the Company shall endeavour to allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Company will apply for quotation of the Options.

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### **ANNEXURE B** **TERMS AND CONDITIONS** **CONTRIBUTING SHARES – DIRECTORS AND CONSULTANTS**

The Contributing Shares will rank equally with fully paid ordinary shares ("**Shares**") on issue subject to the following:

<b>Amounts paid &amp; unpaid:</b>	<p>Each Contributing Share:</p> <ul style="list-style-type: none"> <li>• is issued in consideration of the sum of \$0.0001; and</li> <li>• has an unpaid amount of a further \$0.0059.</li> </ul>
<b>No liability:</b>	<p>Holders have no obligation to meet a call ("<b>Call</b>") made by the Company for the payment of any of the unpaid amount; however, non-payment of a properly made Call will result in the forfeiture of the relevant Contributing Shares.</p>
<b>Earliest Call:</b>	<p>The Company shall not make a Call unless the day on which the call is made falls after the 1<sup>st</sup> anniversary of the issue of the Contributing Share or such later date or dates as determined by the Board from time to time in its absolute discretion.</p>
<b>Capital re-organisation:</b>	<p>If there is a re-organisation of the issued capital of the Company (including, but not limited to, a consolidation, subdivision, cancellation, reduction or return of capital):</p> <ul style="list-style-type: none"> <li>• the number of Contributing Shares must be reorganised in the same proportion as all other classes of shares on issue; and</li> <li>• the re-organisation must not involve a cancellation or reduction of the total amount payable and unpaid by holders of Contributing Shares.</li> </ul>
<b>Rights:</b>	<p>Irrespective of whether the Company has made a Call for the payment of all or any of the unpaid amount, each Contributing Share:</p> <ul style="list-style-type: none"> <li>• carries the right to participate in new issues (except bonus issues) of securities made to holders of Shares as if the Contributing Shares were fully paid Shares;</li> <li>• carries the right to participate in bonus issues of securities in the proportion which the amount paid (or, if applicable, aggregate of amounts paid) (not credited) bears to the total of the amounts paid and payable and each holder ("<b>Holder</b>") of a Contributing Share will be notified by the Company of any proposed bonus issue of securities at least 7 days prior to the record date for any such issue;</li> <li>• entitles the Holder to (i) exercise voting rights on a pro-rata basis in the proportion which the amount (or, if applicable, aggregate of amounts) paid bears to the total of the amounts paid and payable; and (ii) fully participate in dividends as if the Contributing Shares were a fully paid Share;</li> <li>• is freely transferable;</li> <li>• upon being paid up in full shall rank equally in all respects with Shares then on issue and the Company shall promptly apply for them to be listed on the ASX (and each or any other exchange on which shares of the Company are traded).</li> </ul>
<b>Payment before a Call:</b>	<p>A Holder or nominated transferee may pay up the whole of the amount remaining unpaid at any time PROVIDED THAT they may only do so in parcels:</p> <ul style="list-style-type: none"> <li>• of not less than 20,000,000; or</li> <li>• of less than 20,000,000 if the parcel has been held by the holder or nominated transferee since its issue and it represents the Holder's entire holding of Contributing Shares; and</li> <li>• with the leave of the Board (which leave may be granted with or without reason and either with or without conditions) - the Board shall have no obligation to consider any application for leave. The Company shall not be obliged to process payments without a Call more than once every three months.</li> </ul>

## Explanatory Statement to Notice of Annual General Meeting 23 November 2020

	Subject to the foregoing, if a Holder tenders all or part of the amount remaining unpaid on a Contributing Share other than in satisfaction of a Call, the Company shall endeavour to allot the resultant fully paid Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of the conversion.
<b>Listing of Contributing Shares:</b>	The Company shall not apply to list the Contributing Shares.
<b>Compliance with Listing Rules:</b>	<p>For so long as the Company is admitted to the official list of ASX, the following paramount provisions will apply:</p> <ul style="list-style-type: none"> <li>• notwithstanding anything contained in these terms of issue, if the ASX listing rules (in the form and context in which they exist as at the date the first Contributing Share is issued) ("<b>Existing Rules</b>") prohibit an act from being done, the act shall not be done;</li> <li>• nothing contained in these terms of issue prevent an act being done that the Existing Rules require to be done;</li> <li>• if the Existing Rules require an act to be done or not be done, authority is given for that act to be done or not done as the case may be;</li> <li>• if the Existing Rules require these terms of issue to contain a provision and it does not contain such a provision, these terms of issue are deemed to contain such a provision;</li> <li>• if the Existing Rules require these terms of issue not to contain a provision and it contains such a provision, these terms of issue are deemed not to contain that provision; and</li> <li>• if any provision of these terms of issue is inconsistent with the Existing Rules, these terms of issue are deemed not to contain that provision to the extent of the inconsistency.</li> </ul>
<b>Interpretation:</b>	The Contributing Shares are subject to the terms of the Constitution but if there is any inconsistency between the Constitution and these terms of issue, then to the maximum extent permitted by law, these terms of issue will prevail.


**ONLINE PROXY APPOINTMENT**
[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)

**MOBILE DEVICE PROXY APPOINTMENT**

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

**2020 ANNUAL GENERAL MEETING PROXY FORM**

I/We being shareholder(s) of Surefire Resources NL and entitled to attend and vote hereby:

**APPOINT A PROXY**

The Chair of the meeting

**OR**



**PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **45 Ventnor Avenue, WEST PERTH WA 6005 on 23 November 2020 at 3:00 pm (WST)** and at any adjournment or postponement of that Meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though this resolution is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution of Business.

**VOTING DIRECTIONS**
**Resolutions**

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Mr Roger Smith as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue New Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to ratify issue of Shares under 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to ratify issue of Shares and Options under 15% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to issue New Contributing Shares to Mr Vladimir Nikolaenko	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to issue New Contributing Shares to Mr Michael Povey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to issue New Contributing Shares to Mr Roger Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to issue New Contributing Shares to Tieleman Consultants (and/or Nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval of issue of New Contributing Shares to CPS Capital Group Pty Ltd (and/or Nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Approval to issue Shares in lieu of Managing Consultant's Fees – Mr V Nikolaenko	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 Approval to issue Shares in lieu of Non-Executive Director's Fees – Mr R Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 Approval to issue Shares in lieu of Non-Executive Director's Fees – Mr M Povey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 Approval of 10% Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Approval to issue Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

Email Address



Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution 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 resolution 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 a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

### PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1.

**PLEASE NOTE:** If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

### COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company you are in compliance with Listing Rule 14.11.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

#### Companies:

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

### LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 3:00 pm (WST) on 21 November 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



#### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 6370 4203



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033