

## NORTHERN MINERALS LIMITED ABN 61 119 966 353

# NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**AND** 

**EXPLANATORY MEMORANDUM** 

**AND** 

**PROXY FORM** 

**10.00AM (PERTH TIME), 26 NOVEMBER 2020** 

**AT** 

LEVEL 3
88 WILLIAM STREET
PERTH
WESTERN AUSTRALIA 6000

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the meeting please complete and return your proxy form in accordance with the specified instructions.



Notice is hereby given that the Annual General Meeting of Shareholders of Northern Minerals Limited ABN 61 119 966 353 (**Company**) will be held at Level 3, 88 William Street, Perth, Western Australia, at 10.00am (Perth time) on 26 November 2020.

#### **IMPORTANT NOTICE REGARDING COVID-19**

Notwithstanding the global COVID-19 pandemic, in light of the anticipated level of restrictions on gatherings in Western Australia, the Company proposes to hold the Meeting in person (and not by virtual means). The Board does not believe that holding the Meeting in person will cause issues in respect of attendees and the Company abiding by government requirements and guidelines regarding COVID-19 given the generally low attendance at the Company's previous annual general meetings. The Company has taken steps to ensure that all attendees will be able to participate in the Meeting while maintaining their health and safety and abiding by social distancing requirements.

Shareholders do not need to attend the Meeting in order to cast their vote(s). The Company therefore recommends that Shareholders who do not wish to attend the Meeting in person, but who wish to vote, appoint the Chairman as their proxy (and where desired, direct the Chairman how to vote on a Resolution) rather than attending in person.

The Company has organised a dial-in facility which Shareholders can use to listen to the proceedings of the Meeting and ask questions about any of the Resolutions. Dial-in details are set out below:

1800 toll free	1800 151 624
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Calls are normally free from Australian landlines and most mobile phones.

#### Calling from a mobile phone

Calls to Australian 1800 numbers are now free for callers using Telstra or Optus or if you are on a current plan with any of the other providers. If you do not know the cost of dialling a 1800 number from your mobile phone it may be cheaper to dial 03 9918 6100.

Callers in a capital city could alternatively dial one of the numbers shown below, but you will incur call charges.

Dortininanta Co.	do.	004 406 663 #	
New Zealand	0800 880 421		
Darwin	08 8989 0603	Sydney	02 9009 0741
Canberra	02 6102 0615	Perth	08 6266 0616
Brisbane	07 3015 0625	Melbourne	03 9918 6100
Adelaide	08 8128 0604	Hobart	03 6218 0604

Participants Code: 091 196 663 #

Please note that using the dial-in facility will not enable a Shareholder to vote at the Meeting and all Shareholders who wish to vote without being physically present at the Meeting should do so by appointing a proxy.

The Company will make an announcement to ASX informing Shareholders of any changes at the Federal or state government level that impact the way the Meeting can be held. The Company thanks its Shareholders for their understanding and cooperation in these challenging times.



#### **AGENDA**

#### ANNUAL ACCOUNTS

To receive and consider the financial report of the Company and the reports of the Directors and the auditor for the financial year ended 30 June 2020.

#### RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report (which is available at <a href="https://www.northernminerals.com.au">www.northernminerals.com.au</a>) be adopted."

**Voting Exclusion**: In accordance with section 250R of the Corporations Act, the Company will disregard any votes cast on this Resolution by, or on behalf of, members of the Key Management Personnel or their Closely Related Parties. However, the Company need not disregard a vote if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the chairman of the Meeting and the appointment of the chairman as proxy:
  - (i) does not specify the way the proxy is to vote on the Resolution; and
  - (ii) expressly authorises the chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

#### **RESOLUTION 2 - RE-ELECTION OF MR ADRIAN GRIFFIN**

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

"That Mr Adrian Griffin, who retires by rotation in accordance with the Company's Constitution, be re-elected as a Director with effect from the close of the Meeting."

#### **RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY**

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of (or the agreement to issue) Equity Securities representing up to 10% of the issued capital of the Company (calculated in accordance with the formula prescribed in Listing Rule 7.1A.2) on the terms set out in the Explanatory Memorandum."

**Voting Exclusion:** As set out Listing Rule 7.3.A.7, a voting exclusion in respect of an approval under Listing Rule 7.1A is only required if, at the time of dispatching the Notice, the entity is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2. As the Company is not proposing to make an issue of Equity Securities under that Listing Rule as at the time of dispatching the Notice, no voting exclusion statement is required for this Resolution.



#### **RESOLUTION 4 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE SHARE PLAN**

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

"That, for the purposes of Exception 13 in Listing Rule 7.2, and for all other purposes, future issues of securities under the Employee Share Plan (a summary of which is set out in Annexure A), as described in the Explanatory Memorandum, be approved."

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the Employee Share Plan or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this 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
- (b) the chairman 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 chairman to vote on the Resolution as the chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 5 – APPROVAL TO ISSUE SECURITIES UNDER PERFORMANCE RIGHTS PLAN**

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

"That, for the purposes of Exception 13 in Listing Rule 7.2, and for all other purposes, future issues of securities under the Performance Rights Plan (a summary of which is set out in Annexure B), as described in the Explanatory Memorandum, be approved."

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the Performance Rights Plan or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this 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
- (b) the chairman 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 chairman to vote on the Resolution as the chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



#### **RESOLUTION 6 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS**

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

"That, with effect from the close of the Meeting and in accordance with section 648G of the Corporations Act, the proportional takeover provisions set out in rule 163 of the Company's Constitution (a copy of which is tabled at the Meeting), be renewed for a period of three years."

## RESOLUTION 7 – RATIFICATION OF PREVIOUS ISSUE OF SHARES UNDER PRIVATE PLACEMENT

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 2,810,000 Shares to various creditors of the Company for the purposes and on the terms set out in the Explanatory Memorandum."

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or who is a counterparty to the agreement being approved or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this 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
- (b) the chairman 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 chairman to vote on the Resolution as the chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 8 - ISSUE OF FUTURE PLACEMENT SHARES**

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

"That, for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to \$20,000,000 worth of Shares at an issue price per Share of not less than 80% of the VWAMP for Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which the new Shares are issued (and, in any case, not less than 2.5 cents), to sophisticated investors, employees or suppliers of the Company, for the purposes and on the terms set out in the Explanatory Memorandum."

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates (as defined in the Listing Rules) of those persons.

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



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

#### **OTHER BUSINESS**

To transact any other business that may be legally brought before the Meeting.

#### CHAIRMAN AND CHAIRMAN'S VOTING INTENTIONS FOR UNDIRECTED PROXIES

It is proposed that the chairman of the Meeting be Mr Colin McCavana. It is the chairman's intention as chairman of the Meeting to vote undirected proxies (i.e. open proxies) which he holds as proxy in favour of all Resolutions.

#### **SNAPSHOT DATE**

It has been determined that in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the date to determine who the Shareholders in the Company are for the purposes of the AGM is **4.00pm (Perth time) on 24 November 2020**. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

#### **PROXIES**

If you wish to appoint a person as your proxy, please complete the Proxy Form that has been provided to you (which forms part of this Notice).

In accordance with section 249L(1)(d) of the Corporations Act, Shareholders are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is 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. If no proportion or number is
  specified then in accordance with section 249X(3) of the Corporations Act each proxy may
  exercise one half of the votes.

In accordance with section 250BA of the Corporations Act the Company specifies the following details for the purposes of receipt of proxy appointments and proxy appointment authorities:



#### Share Registry (Automic Group Pty Ltd):

By post:By fax:By email:By hand:Automic GroupFacsimilemeetings@automicgroup.Automic Group

GPO Box 5193 Number: com.au Level 5/126 Phillip Street

Sydney NSW 2001 +61 2 8583 3040 Sydney NSW 2000

The instrument appointing the proxy must be received by the Company as provided in its Constitution no later than 48 hours prior to the time of the commencement of the AGM. The Proxy Form may be sent by facsimile transmission to the number identified on the Proxy Form. The Proxy Form provides further details on appointing proxies and lodging proxy forms.

#### **CORPORATE REPRESENTATIVE**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the AGM should provide that person with a certificate or letter in accordance with section 250D of the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the AGM or handed in at the AGM when registering as a corporate representative. An appointment of corporate representative form is available at <a href="https://automic.com.au">https://automic.com.au</a>

## <u>VOTING PROHIBITION BY PROXY HOLDERS (REMUNERATION OF KEY MANAGEMENT PERSONNEL)</u>

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1, 4, 5 or 8 if the person is either a member of Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on the Resolution. However, the proxy may vote if the proxy is the chairman and the appointment expressly authorises the chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

If the chairman is appointed as your proxy and you have not specified the way the chairman is to vote on Resolutions 1, 4, 5 or 8 by signing and returning the Proxy Form (including via an online facility), you are considered to have provided the chairman with an express authorisation for the chairman to vote the proxy in accordance with the chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

#### **OTHER**

Words which are defined in the Explanatory Memorandum have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering this Notice of Meeting and the Explanatory Memorandum, please refer to the Glossary on page 8.

Dated 22 October 2020

By order of the Board

Mark Tory

Chief Executive Officer and Company Secretary



#### **GLOSSARY**

10% Placement Facility is defined in the Explanatory Memorandum for Resolution 3.

**AGM** or **Annual General Meeting** or **Meeting** means the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice.

**Annual Report** means the Company's Annual Report for the financial year ended 30 June 2020, comprising the financial report, the Directors' report and the Auditor's Report for the financial year ended 30 June 2020.

**ASX** means ASX Limited ACN 008 624 691 or the securities exchange operated by it, as the context requires.

**Auditor's Report** means the auditor's report included in the Annual Report of the Company for the year ended 30 June 2020.

**Board** means the board of Directors of the Company.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Committee has the meaning given in Annexure B.

Company means Northern Minerals Limited ABN 61 119 966 353.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

**Director** means a director of the Company.

Eligible Participant has the meaning given in Annexure B.

Eligible Person has the meaning given in Annexure B.

**Employee** has the meaning given in Annexure A.

**Employee Share Plan** means the Northern Minerals Limited Share Plan, the terms of which are summarised in Annexure A.

**Equity Security** has the meaning given in Chapter 19 of the Listing Rules.

**Explanatory Memorandum** or **Memorandum** is the Explanatory Memorandum accompanying the Notice of Meeting.

**Key Management Personnel** or **KMP** means a member of the key management personnel as disclosed in the Remuneration Report contained in the Annual Report.

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

Notice of Meeting or Notice means this Notice of AGM.

**Option** means an unquoted option to subscribe for a Share.



#### Participant, in the case of the:

- (a) Employee Share Plan, has the meaning given in Annexure A; and
- (b) Performance Rights Plan, has the meaning given in Annexure B.

**Performance Rights Plan** means the Northern Minerals Limited Performance Rights Plan, the terms of which are summarised in Annexure B.

**Proxy Form** means the form of proxy provided in respect of this Notice of Meeting.

**Remuneration Report** means the remuneration report of the Company contained in the annual Directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Resolution** means a resolution proposed to be passed at the Meeting and contained in the Notice.

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

Shareholder means a person entered in the Company's register as a holder of a Share.

**VWAMP** means volume weighted average market price, as defined in the Listing Rules.



# EXPLANATORY MEMORANDUM TO SHAREHOLDERS NORTHERN MINERALS LIMITED

#### ABN 61 119 966 353

This Memorandum sets out information about the business to be considered by the Shareholders at the Annual General Meeting. A short explanation of the business to be considered by the Shareholders is set out below.

#### **BUSINESS OF THE MEETING**

#### **Annual Report 2020**

Section 317 of the Corporations Act requires the Directors to lay before the AGM the financial report, Directors' report (including the Remuneration Report) and the Auditor's Report for the last financial year that ended before the AGM.

Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to these reports or the management of the Company but no formal resolution to adopt the reports will be put to Shareholders at the AGM (save for Resolution 1 for the adoption of the Remuneration Report). Shareholders will also be given an opportunity to ask the auditor or the auditor's representative questions relating to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions for the auditor if the questions are relevant to the content of the audit report or the conduct of the audit of the Company's financial report for the period ended 30 June 2020.

Relevant written questions for the auditor must be received by the Company no later than the fifth business day before the date of the Meeting.

A list of the relevant written questions will be made available to Shareholders attending the Meeting. They will also be placed on the Company's website.

The following details should be included with written questions:

- the Shareholder's Name; and
- either the Shareholder's **Security Reference Number (SRN)** or **Holder Identification Number (HIN)**.

#### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

Pursuant to section 250R of the Corporations Act, the Company is required to put the Remuneration Report to a vote of Shareholders. The Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the Directors, the Chief Executive Officer and other Key Management Personnel.

The Annual Report is available on the Company's website at www.northernminerals.com.au.

The Corporations Act provides that Resolution 1 is only an advisory vote of Shareholders and does not bind the Directors or the Company.

In addition, the Corporations Act sets out a 'two strikes' re-election process. Under the 'two strikes' re-election process, if the Company's Remuneration Report receives a 'no' vote of 25% or more of all votes cast at two consecutive annual general meetings (that is, 'two strikes'), a resolution (the 'spill



resolution') must be put to the second annual general meeting, requiring Shareholders to vote on whether the Company must hold another general meeting (known as the 'spill meeting') to consider the appointment of all of the Directors who stand for re-appointment (other than the Managing Director). If the spill resolution is approved by a simple majority of 50% or more of the eligible votes cast, the 'spill meeting' must be held within 90 days of that second annual general meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment).

Further information will be provided on the 'spill resolution' and 'spill meeting' for any annual general meeting at which the Company may face a 'second strike'. The Company's 2019 Remuneration Report was passed by more than 75% of the votes cast.

The remuneration levels for Directors, officers and senior managers are competitively set to attract and retain appropriate Directors and Key Management Personnel. The chairman of the Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

#### **RESOLUTION 2 - RE-ELECTION OF MR ADRIAN GRIFFIN**

In accordance with rule 5.1 of the Company's Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office and are eligible for re-election (provided that if their number is not a multiple of 3 then the number nearest to but not exceeding one third must retire but no director may retain office for more than 3 years without standing for re-election).

The Directors to retire are those who have been in office for 3 years since their appointment or last reappointment or who have been longest in office since their appointment or last re-appointment or, if such Directors have been in office for an equal length of time, by drawing lots or by agreement.

Accordingly, Mr Griffin is required to retire by rotation at the AGM, and being eligible, offers himself for re-election as a non-executive Director. Mr Griffin was initially appointed as a Director in 2006 and was last re-elected in 2017.

Mr Griffin is an Australian trained mining professional with exposure to metal mining and processing throughout the world. Mr Griffin has been involved in the development of extraction technology for a range of metals and was a pioneer of the WA lateritic nickel processing industry. He specialises in mine management and production. Mr Griffin is a member of the remuneration and nomination committee. During the past three years Mr Griffin has also served as a director of the following listed companies:

- Lithium Australia NL (February 2011 Present) managing director
- Parkway Minerals NL (October 2010 Present) non-executive chairman
- Reedy Lagoon Corporation Ltd (June 2014 Present) non-executive director

The Board considers that Mr Griffin's independence has not been impaired during his tenure and that therefore, if re-elected, Mr Griffin will qualify as an independent non-executive Director.

After appropriate consideration, and taking into account his past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board's members (excluding Mr Griffin) unanimously resolved that Mr Griffin's distinct set of skills and experience, including as stated above, are of obvious and on-going benefit to the Board.

The Board (except Mr Griffin, who abstains) unanimously recommends that Shareholders vote in favour of Resolution 2.



#### **RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY**

Listing Rules 7.1 and 7.1A

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.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10%, to 25%.

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

#### Shareholder approval sought

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval (10% Placement Facility).

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Information required by Listing Rule 7.3A

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

- (a) Shareholder approval of the 10% Placement Facility will be valid from the date of the Meeting to the first to occur of the following:
  - (i) the date that is 12 months after the date of the Meeting;
  - (ii) the time and date of the Company's next annual general meeting; and
  - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued for a cash consideration per security of not less than 75% of the VWAMP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
  - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i), the date on which the Equity Securities are issued.
- (c) The Company may seek to issue Equity Securities under the 10% Placement Facility to raise funds for capital expenditure on the Company's current assets, for continued exploration and development of its current projects and/or for general working capital.
- (d) If this Resolution is approved by Shareholders at the Meeting and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic interest may be diluted if the Equity Securities are issued at a discount. Further, the existing Shareholders' voting power in the Company will be diluted by up to 9.09% if all of the Listing Rule 7.1A capacity is used. There is a risk that:



- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of Shareholder approval at the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities and also on the Company's Share price post issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current Share price and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice (which, for simplicity, is assumed to be the current number of shares on issue).

#### The table also shows:

- (iii) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro-rata entitlement offer or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved by Shareholders at this Meeting or at future Shareholder meetings; and
- (iv) two examples where the issue price of Shares has changed in one example it has decreased by 50% and in another it has increased by 50% against the current Share price (which, for the purposes of this table, is \$0.039 being the closing price of the Shares on ASX as at 9 October 2020).

Variable 'A' in			Dilution	
Listing Rule 7.1A.2		Assuming 50%	Issue price	Assuming 50%
		decrease in		increase in
		issue price		issue price
		\$0.019	\$0.039	\$0.058
Variable A	Number of Shares that	443,624,709	443,624,709	443,624,709
4,436,247,099	could be issued under 10%	Shares	Shares	Shares
	Placement Facility	Snales	Silales	Snales
	Funds that could be raised	\$8,428,869	\$17,301,364	\$25,730,233
<b>50% increase in</b> <b>Variable A</b> 6,654,370,648	Number of Shares that could be issued under 10% Placement Facility	665,437,064 Shares	665,437,064 Shares	665,437,064 Shares
	Funds that could be raised	\$12,643,304	\$25,952,045	\$38,595,349
100% increase in Variable A 8,872,494,198	Number of Shares that could be issued under 10% Placement Facility	887,249,419 Shares	887,249,419 Shares	887,249,419 Shares
	Funds that could be raised	\$16,857,738	\$34,602,727	\$51,460,466

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) In each case, an issue of the maximum number of Shares under the 10% Placement Facility would dilute the Shareholders as at the date immediately prior to the issue by up to 9.09%. For example, based on the current number of Shares on issue as at the date of this Notice, existing Shareholders would have 4,436,247,099 votes out of a total post-issue number of 4,879,871,808 Shares, representing 90.91% of the post-issue total number of shares (or a dilution of 9.09%) if all Resolutions are passed and all issued Shares are included in the calculation of Variable A.
- (iii) The table does not show the economic dilution that may be caused to a particular Shareholder's shareholding by reason of placements under the 10% Placement Facility.



- (iv) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (v) The issue of Equity Securities under the 10% Placement Facility consists only of Shares (although the Company also has convertible securities on issue as at the date of this Notice).
- (vi) The base issue price is assumed to be \$0.039 being the closing price of the Shares on ASX on 9 October 2020 (rather than being based on the 15 trading day VWAMP).
- (vii) No convertible securities are exercised before the issue of Equity Securities under the 10% Placement Facility.
- (e) The Company's allocation policy for issues of new Shares under the 10% Placement Facility is dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to, without limitation, the following factors:
  - the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate and other forms of equity and debt financing;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).

Any potential allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new shareholders who are not related parties or associates (as defined in the Listing Rules) of a related party of the Company.

- (f) The total number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A by the Company in the 12 months preceding the date of the Meeting (as at 9 October 2020) is 259,525,770 representing approximately 9.2% of the total number of Equity Securities on issue at the commencement of that 12 month period.
- (g) Set out below are the details of all Equity Securities issued or agreed to be issued under Listing Rule 7.1A by the Company during the 12 months preceding the date of the Meeting (as at 9 October 2020):

·	
Date of issue or agreement to issue:	28 April 2020 (date of issue)
Number issued and class of security issued:	259,525,770 Shares
Names of persons who the Company issued or agreed to issue securities to or basis on which those persons were identified or selected:	These securities were issued to two sophisticated investors under the \$22 million placement announced on 20 April 2020, being Vastness Investment Group Limited and Yongquan He (both current substantial shareholders of the Company).
Price:	\$0.02
Discount (if any) that the issue price represented to the closing market price on the date of issue or agreement to issue	13.0% (on date of issue)
Total cash consideration received or to be received:	\$5,190,515



Amount of cash consideration spent:	All cash consideration has been spent.
Use of Cash Consideration:	Funds raised under the placement have been applied for the continued development of the Company's projects and operation of the Company's business, for expenditure relating to care and maintenance of the Browns Range Pilot Plant, repayment of all amounts owing in respect of (and the redemption of) the convertible notes issued on 26 June 2019 with an aggregate face value of A\$7,500,000 pursuant to the subscription agreement announced on 23 April 2019 and for general working capital purposes.
Intended use for remaining amount of cash (if any):	N/A

(h) A voting exclusion statement is not required for the reasons set out in the Notice.

The Board believes that the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months without Shareholder approval. Accordingly, the Board unanimously recommends that Shareholders vote in favour of Resolution 3.

## RESOLUTIONS 4 AND 5 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE SHARE PLAN AND PERFORMANCE RIGHTS PLAN

The issues of securities under the Company's Employee Share Plan and Performance Rights Plan (together, **Incentive Plans**) were last approved by Shareholders at the Company's annual general meeting held on 30 November 2017. Resolutions 4 and 5 seek to refresh those approvals for the purposes of the Listing Rules.

The main purposes of the Incentive Plans are to incentivise Employees and Eligible Participants (together, **Eligible Personnel**) to provide (and reward them for providing) dedicated and ongoing commitment and effort to the Company, and to align the interests of Eligible Personnel and Shareholders in order to increase Shareholder value by enabling Eligible Personnel to share in the future growth and profitability of the Company. The Board considers that the ability to issue Shares and Performance Rights as incentives to Eligible Personnel provides a necessary mechanism to attract, retain and motivate personnel to achieve the Company's goals.

A detailed summary of the terms of each of the Incentive Plans is set out in Annexures A and B of this Explanatory Memorandum.

#### Summary of Employee Share Plan

The Employee Share Plan contemplates the issue of Shares to full-time, part-time and certain casual employees of the Company (including an executive Director). Persons that are not employees of the Company (or any subsidiary) are unable to participate in the Employee Share Plan. The issue price for each Share to be issued under the Employee Share Plan will be determined in accordance with paragraph 4 of the summary set out in Annexure A. Shares may not be renounced by an Employee in favour of any other person or entity.

In order to fund the acquisition of Shares under the Employee Share Plan, the Company may offer Employees an interest free loan (**Loan**) to be used to subscribe for Shares pursuant to the terms of the Employee Share Plan. The Loan will be non-recourse except against the plan Shares to which the



Loan relates. Further details of the Loan terms under the plan are set out in the summary in Annexure A

The giving of financial assistance in connection with acquisitions of Shares and the taking of security over the Shares pursuant to Loans has already been approved by Shareholders at the Company's 2017 AGM.

#### Summary of Performance Rights Plan

The Performance Rights Plan contemplates the issue to Eligible Participants of Performance Rights which carry the entitlement to be issued Shares on satisfaction of performance conditions determined by the Board. The definition of Eligible Participant under the plan includes full-time, part-time and certain casual employees, and Directors (executive and non-executive). Invitations may be renounced in favour of Eligible Persons in relation to the Eligible Participants approved by the Committee.

#### Listing Rule 7.1 and Listing Rule 7.2, Exception 13

Please refer to the Explanatory Memorandum for Resolution 3 for information about Listing Rule 7.1.

Exception 13 of Listing Rule 7.2 excludes securities (including rights) issued under an employee incentive scheme from counting towards the 15% placement capacity under Listing Rule 7.1 where shareholders have approved the issue of the securities under the scheme. Since the Listing Rule approvals obtained for the Incentive Plans are valid for three years from the date of Shareholder approval, the Listing Rule approvals obtained at the 2017 annual general meeting will soon expire.

Resolutions 4 and 5 seek to renew the Shareholder approvals for the issue of securities under the terms of the Incentive Plans for a further three years so that the Company retains the ability to manage its capital requirements efficiently by ensuring that the 15% limit is not reduced by issues of Shares and/or Performance Rights under the Incentive Plans. The Board believes this will provide the Company with additional flexibility to raise capital as and when appropriate.

If the Shareholder approvals for the issue of securities under the terms of the Incentive Plans are not obtained, any issues of securities under the Incentive Plans would reduce the Company's 15% placement capacity under Listing Rule 7.1.

It is important to note that Resolutions 4 and 5 do not of themselves authorise the issue of Shares or Performance Rights to Directors. Any such issues need to be specifically approved under Listing Rule 10.14.

If approvals are obtained under Resolutions 4 and 5, those approvals will cease to be available if there is a material change to the terms of the Incentive Plans from those set out in this Notice.

The following information is provided in accordance with Listing Rule 7.2, Exception 13(b) which sets out the information that must be provided to Shareholders in order to obtain Shareholder approval under Listing Rule 7.2:

- (a) A summary of the terms of the Employee Share Plan is set out in Annexure A, and a summary of the terms of the Performance Rights Plan is set out in Annexure B.
- (b) Since the Incentive Plans were approved by Shareholders at the annual general meeting held on 30 November 2017:
  - (i) no Shares have been issued under the Employee Share Plan; and
  - (ii) a total of 14,428,000 Performance Rights have been issued under the Performance Rights Plan.
- (c) Following approval of Resolutions 4 and 5, the maximum number of securities proposed to be issued within the next three years under the Incentive Plans is:



- (i) in respect of the Employee Share Plan, 100,000,000 Shares, representing 2.2% of the undiluted Shares in the Company as at 9 October 2020; and
- (ii) in respect of the Performance Rights Plan, 100,000,000 Performance Rights, representing 2.2% of the undiluted Shares in the Company as at 9 October 2020.

The maximum numbers stated above are not intended to be a prediction of the actual number of securities that may be issued under the Incentive Plans, they are simply a ceiling for the purposes of Listing Rule 7.2, Exception 13(b). The total number of Shares and/or Performance Rights ultimately issued under the Incentive Plans within the next three years may be less than the maximum numbers stated above or may be more than the maximum numbers stated above (in which case the excess will count towards the Company's 15% placement capacity under Listing Rule 7.1).

The actual number of Shares and/or Performance Rights that will be issued will be determined by the Board on the basis of (among other things) the number of persons entitled to Shares and/or Performance Rights and the forward work plans of the Company. Any issues of Shares and/or Performance Rights will be in accordance with the terms of the Incentive Plans and the Listing Rules.

(d) Voting exclusion statements in respect of Resolutions 4 and 5 are set out in the Notice.

The Board unanimously recommends that Shareholders vote in favour of Resolutions 4 and 5.

#### **RESOLUTION 6 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS**

The Corporations Act permits a company to include in its constitution provisions prohibiting the registration of a transfer of securities resulting from a proportional takeover bid unless the relevant holders in a general meeting approve the bid.

The Constitution currently contains rule 163, which prohibits the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid unless approved by a resolution of holders of the relevant class of shares. In accordance with the Corporations Act, these provisions last for a maximum of three years, unless renewed. These provisions were reinserted by the Company at its annual general meeting held on 30 November 2017 and have not been renewed since that time. Therefore, unless renewed, these provisions will shortly cease to be of any effect and will be deemed to be omitted from the Constitution.

A company may renew its proportional takeover provisions by special resolution of its members.

Accordingly, a special resolution is being put to Shareholders under section 648G of the Corporations Act to renew rule 163 in the Constitution, in the form set out in Annexure C of this Explanatory Memorandum. Rule 163 (as set out in Annexure C) is the same as was originally contained in rule 163 when the Constitution was adopted (as released to ASX on 13 November 2006), other than references to 'ASTC Settlement Rules' which were replaced at the Company's 2017 annual general meeting with 'ASX Settlement Operating Rules' to reflect a change to their name.

If Resolution 6 is approved by Shareholders at the Meeting, rule 163 of the Constitution will operate for three years from the date of the Meeting (i.e. until 26 November 2023), unless renewed earlier.

If Resolution 6 is passed, then for 21 days after the Meeting, the holders of 10% of the Company's shares have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

The Corporations Act requires the Company to provide Shareholders with an explanation of the proposed proportional takeover bid provisions so that Shareholders can make an informed decision on whether or not to vote in favour of the Resolution. Accordingly, the Company provides the following information:



#### (a) What is a proportional takeover bid?

A proportional takeover bid is an off-market takeover bid sent by the bidder to all shareholders in a class (subject to certain exceptions), but only in respect of a specified proportion (i.e., less than 100%) of each shareholder's shares in that class. Accordingly, if a shareholder accepts in full the offer under a proportional takeover bid, the shareholder will dispose of that specified proportion and retain the balance.

#### (b) Effect of the proportional takeover bid provisions

The effect of rule 163, if renewed, will be that where a proportional takeover bid is made for shares in the Company (i.e. a bid is made for a specified proportion, but not all, of each holder's bid class shares), the Board must convene a meeting of holders of the relevant shares to vote on a resolution to approve the bid. The meeting must be held, and the resolution voted on, at least 15 days before the offer period under the bid closes.

To be passed, the resolution must be approved by a majority of votes at the meeting, excluding votes by the bidder and its associates. However, the Corporations Act also provides that, if the meeting is not held within the time required, then a resolution to approve the proportional takeover bid will be deemed to have been passed.

If the resolution to approve the proportional takeover bid is passed, or deemed to have been passed, the transfer of shares resulting from acceptance of an offer under that bid will be permitted, and the transfers registered, subject to the Corporations Act and the Constitution of the Company.

If the resolution is rejected, then all offers under the bid that have not, as at the end of the relevant day, been accepted, and all offers under the bid that have been accepted and from whose acceptance binding contracts have not resulted, must be treated as withdrawn and a person who has accepted an offer made under the bid is entitled to rescind the contract (if any) resulting from that acceptance.

Rule 163 of the Constitution will not apply to full takeover bids (for 100% of each shareholder's shares in a particular class).

#### (c) Reasons for proposing the resolution

In the Board's view, the relevant shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid for the Company may enable control of the Company to be acquired by a party holding less than a majority interest. This might allow a bidder to acquire control without payment of an adequate control premium. Further, the relevant shareholders may not have the opportunity to dispose of all of their shares, and risk being part of a minority interest in the Company or suffering loss if the takeover bid causes a decrease in the market price of the shares or makes the shares less attractive and, accordingly, more difficult to sell.

Rule 163 of the Constitution allows shareholders to decide if a proportional takeover bid is acceptable in principle, and may assist in ensuring that any proportional takeover bid is appropriately priced.

#### (d) Potential advantages and disadvantages

The Directors consider that rule 163 has no potential advantages or disadvantages specific to any of them, and that they would remain free to make a recommendation on whether or not an offer under a proportional takeover bid should be accepted.

The Directors note that it could be argued that rule 163 would provide an advantage to them as a takeover defence mechanism that could be exploited to entrench the incumbent Board. However, the Directors believe that argument ignores the basic object of rule 163, which is to empower shareholders not the Directors.

For the relevant shareholders, the potential advantages of the provisions in rule 163 are that:



- The provisions will provide them with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a proportional takeover bid should be approved and proceed. This affords the relevant shareholders an opportunity to have a say in the future ownership and control of the Company and helps the shareholders avoid being locked into a minority.
- Each individual shareholder may also better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of shareholders, which may assist them in deciding whether to accept or reject an offer under a proportional takeover bid.
- The provisions increase shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced.

The Board believes these factors will encourage any proportional takeover bid to be structured so as to be attractive to at least a majority of the relevant shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic.

For the relevant shareholders, the potential disadvantages of the provisions in rule 163 are that:

- Proportional takeover bids may be discouraged by the further procedural steps that the provisions
  will entail and, accordingly, this may reduce any takeover speculation element in the price of the
  Company's shares.
- Shareholders may be denied an opportunity to sell a portion of their shares at a premium where the majority rejects the offer from persons seeking control of the Company.
- Individual shareholders may consider that rule 163 would restrict their ability to deal with their shares as they see fit.

#### (e) Previous operation of rule 163

During the time that rule 163 has been in effect there have been no proportional takeover bids for the Company. However, there were also no proportional takeover bids during the periods when rule 163 was not in effect. The Directors are also not aware of any potential proportional takeover bid that was discouraged by rule 163. The Directors are therefore unable to point to any more specific advantages or disadvantages evident from the operation of the current provisions during the period of their operation.

(f) No knowledge of present acquisition proposals

As at the date of this Notice, none of the Directors are aware of any proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company by way of a proportional takeover bid or otherwise.

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

## RESOLUTION 7 – RATIFICATION OF PREVIOUS ISSUE OF SHARES UNDER PRIVATE PLACEMENT

Please refer to the Explanatory Memorandum for Resolution 3 for information about Listing Rule 7.1. On 7 May 2020, the Company issued 2,810,000 Shares at an issue price of \$0.022 to various creditors at their request as part payment for services rendered (**7 May Placement**). Please refer to the Company's announcement dated 7 May 2020 for further information.

#### Listing Rule 7.4

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.



The 7 May Placement does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, it has used up part of the Company's 15% limit under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the 7 May Placement.

#### Shareholder approval sought

Under this Resolution, the Company seeks Shareholder approval for, and ratification of, the 7 May Placement under and for the purposes of Listing Rule 7.4 so as 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.

If this Resolution is passed, the 7 May Placement will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the 7 May Placement.

If this Resolution is not passed, the 7 May Placement will be included in calculating the Company's 15% limit in Listing Rule 7.1, and will continue to restrict the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the 7 May Placement.

#### Information required by Listing Rule 7.5

Listing Rule 7.5 requires the following specific information to be provided to Shareholders in relation to this Resolution:

- (a) The Shares were issued to various creditors.
- (b) 2,810,000 Shares were issued in total.
- (c) The Shares were all fully paid ordinary shares in the capital of the Company.
- (d) The Shares were issued on 7 May 2020.
- (e) The Shares were issued as part payment to various creditors for services rendered and, accordingly, no funds were raised by the issue. The closing price of Shares on the date of issue was \$0.022 per Share.
- (f) There are no further material terms to disclose in respect of this arrangement.

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

A voting exclusion applies to Resolution 7 in the terms set out in the Notice of Meeting.



#### **RESOLUTION 8 - ISSUE OF FUTURE PLACEMENT SHARES**

Please refer to the Explanatory Memorandum for Resolution 3 for information about Listing Rule 7.1.

Resolution 8 seeks Shareholder approval under and for the purposes of Listing Rule 7.1 for the proposed issue of up to \$20,000,000 worth of new Shares (**Future Placement Shares**) at an issue price per Share of not less than 80% of the VWAMP for Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which the Future Placement Shares are issued (and, in any case, not less than 2.5 cents). Future Placement Shares may be issued to various:

- sophisticated or professional investors who are not related parties of the company;
- employees of the Company (other than directors of the Company) who consent to being issued Shares in lieu of cash remuneration owed to them; and
- suppliers of the Company who consent to being issued Shares in lieu of cash consideration for goods supplied by them or services rendered by them,

in each case where the recipient falls within one or more classes of disclosure exemption as specified in section 708 of the Corporations Act, or is otherwise an investor who may be offered and issued the Future Placement Shares without requiring a prospectus or other type of registration or filing.

In relation to the sophisticated or professional investors (who are not related parties of the Company) that may participate in this facility, the Company has not yet determined the identity of those investors. If the Company chooses to utilise this facility for a placement of Shares to such sophisticated or professional investors, the Company will identify and select those investors based on a number of factors. Those factors will include the jurisdiction in which the subscriber resides, whether the subscriber is already a Shareholder (and the size of its holding), whether the subscriber has participated in previous placements or capital raisings, the financial capability of the subscriber to pay the subscription amount for the Future Placement Shares and whether any further regulatory approvals are required to offer and issue Shares to that subscriber. Based on previous placements the Company has carried out, it is possible that future subscribers under this facility may include a combination of investors in Australia and overseas, however that is largely dependent on the demand for the Company's Shares at the time. The Company may also decide to engage the services of a lead manager/ broker to assist with the issue of Future Placement Shares. Any such lead manager/ broker may assist with obtaining subscriptions from already identified investors or procure subscriptions from its existing clients.

At this stage the Company has not committed to undertaking any issue of Future Placement Shares, nor the price at which Future Placement Shares may be issued, noting the issue price parameters set out above.

Pursuant to Resolution 8 the Company is seeking the approval of Shareholders to provide it with flexibility to raise or conserve cash by issuing Future Placement Shares at its discretion up to a value of \$20,000,000 and within the issue price parameters described above, so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

The Company may seek similar approvals from Shareholders at future general meetings (if required).

If this Resolution is passed, the Company may issue Future Placement Shares as described above and the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If this Resolution is not passed, the Company will not be permitted to issue any Future Placement Shares unless the Company utilises its available capacity under Listing Rule 7.1 or obtains shareholder approval for the issue.

Set out below are worked examples (for illustration purposes only) showing how the issue price formula will operate in practice under different issue price assumptions (noting that a floor price of 2.5 cents applies to the issue of any Future Placement Shares). As at 9 October 2020, the Company's highest and lowest Share price over the last 12 months was \$0.064 and \$0.017 respectively.



	Number of shares to be issued			
Maximum Placement Facility Value	at \$0.030  If the issue price was equal to 80% of the 5-day VWAMP on 9 October 2020	at \$0.034  If the issue price was equal to 90% of the 5-day VWAMP on 9 October 2020	at \$0.025  If the issue price was equal to the floor price under the facility	
\$20,000,000	666,666,666 (15.03% of current Shares on issue)	588,235,294 (13.26% of current Shares on issue)	800,000,000 – being the maximum number of Future Placement Shares that may be issued pursuant to Resolution 8 (18.03% of current Shares on issue)	

As described above, the maximum number of Future Placement Shares that may be issued pursuant to Resolution 8 is 800,000,000 Shares.

Listing Rule 7.3 requires the following information to be provided in relation to this Resolution:

- (a) The Future Placement Shares will be issued progressively as various subscribers are identified or as employees or suppliers agree to accept Shares in lieu of cash owed to them. In any event, however, no Future Placement Shares will be issued later than 3 months after the date of the Meeting (or such later date as permitted by any waiver or modification of the Listing Rules).
- (b) The maximum number of Shares to be issued is 800,000,000 Shares.
- (c) The Shares to be issued will be fully paid ordinary shares in the capital of the Company.
- (d) The Future Placement Shares will be issued at a price to be determined by the Directors which, in each case, will be at least 80% of the VWAMP for Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which the Future Placement Shares are issued (and, in any case, not less than 2.5 cents).
- (e) The purpose of the issue is to give the Board the flexibility to raise or conserve cash by issuing Future Placement Shares at its discretion up to a value of \$20,000,000 and within the issue price parameters noted above. If the Company raises further funds by issuing Future Placement Shares to sophisticated or professional investors, the Company intends to use the funds raised from the issue for capital expenditure on the Company's current assets (including its Browns Range Project), for continued exploration and development of its current projects and/or for general working capital.
- (f) There are no further material terms to disclose in respect of this arrangement.

The Board unanimously recommends that Shareholders vote in favour of Resolution 8.

A voting exclusion applies to Resolution 8 in the terms set out in the Notice of Meeting. As there are currently no investors who have committed to subscribing for Future Placement Shares, and no employees or suppliers who have agreed to be paid in Future Placement Shares in lieu of cash, the Company is not currently aware of any person who will be excluded from voting on Resolution 8.



# Annexure A Summary of Employee Share Plan

Set out below is a summary of the terms and conditions of the Northern Minerals Limited Share Plan.

#### 1. Eligibility

The Company's Board may from time to time determine that an Employee may participate in the Share Plan and the extent of that participation. The Board will have regard to, amongst other things, the seniority and position of the Employee, the length of service of the Employee, the record of employment, the potential contribution of the Employee to the growth of the profitability of the Group and any other matters which the Board considers relevant.

#### 2. Invitations

The Board may issue Invitations to Employees, inviting applications for up to the number of Shares specified in the Invitation. The Invitation will set out, amongst other things, the number of Shares, the issue price of the Shares, and if applicable, the loan amount, the loan term, restriction conditions, the acceptance period and any matter required by any applicable ASIC Class Order.

Shares under the Share Plan may not be renounced in favour of any other person or entity.

#### 3. Number of Shares

The number of Shares that may be offered to an Employee is entirely within the discretion of the Board.

#### 4. Issue Price

Except insofar as is necessary to comply with the provisions of an employment contract or other contract approved by the Board whereby executive or technical services are provided to the Company, the issue price for each Share will be not less than:

- (a) if there was at least one transaction in the Shares on ASX during the 5 day trading period immediately before the date on which an offer was made, the volume weighted average trading price of the Shares on ASX during that period; or
- (b) if there were no transactions in the Shares on ASX during that 5 day trading period immediately before the date on which an offer was made, the last price at which an offer was made on ASX to purchase a Share.

#### 5. Loan

An Employee who is invited to subscribe for Shares under the Share Plan may also be invited to apply for a Loan up to the amount payable in respect of the Shares, on the following terms:

- (a) Loans must be made solely to the Participant and in the name of the Participant.
- (b) The Loan will be interest free.



- (c) Any Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares to be acquired under the Share Plan.
- (d) The term of the Loan and the manner for making such payments shall be determined by the Board and set out in the Invitation.
- (e) The amount repayable on the Loan by the Participant will be the lesser of:
  - the issue price of the Shares, less any cash dividends paid in respect of the Shares and applied by the Company in accordance with paragraph (g) below and any amount of the Loan repaid by the Participant; and
  - the last sale price of the Shares on ASX on the date of repayment of the Loan or, if there
    are no transactions on that day, the last sale price of the Shares prior to that date, or, if
    the Shares are sold by the Company, the amount realised by the Company from the sale.
- (f) A Participant must repay the Loan in full prior to expiry of the term of the Loan but may elect to repay the Loan amount in respect of any or all of the Shares (in multiples representing not less than 1,000 Shares) at any time prior to expiry of the term of the Loan.
- (g) Cash dividends which are paid in respect of Shares the subject of a Loan (Loan Shares) will be applied by the Company on behalf of the Participant to repayment of the amount outstanding under the Loan and any surplus of the cash dividend will be paid to the Participant. The Participant irrevocably authorises the Company to apply all cash dividends which are paid in respect of Loan Shares to the repayment of the amount outstanding under the Loan.
- (h) The Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to sell those Shares in accordance with the terms of the Share Plan.
- (i) A Share issued under the Share Plan may not be transferred, assigned, mortgaged, charged or otherwise encumbered by a Participant until the Loan amount in respect of that Share has been repaid and the Company:
  - will retain the share certificate (if any) in respect of the Loan Shares and an executed Share transfer form in respect of the Loan Shares;
  - · may apply a holding lock; and
  - may refuse to register a transfer of Loan Shares, until the Loan amount has been repaid.

#### 6. Termination of the Loan prior to the Repayment Date

If, prior to repayment in full of a Loan by a Participant the Participant dies, suffers an Event of Insolvency, breaches any condition of the Loan or the Rules or ceases to be an Employee, then the Participant (or his or her personal representative) shall elect, by serving written notice on the Company within seven days of such event occurring, one of the following two alternatives. If such notice is not served within seven days of the event occurring, the Participant shall be deemed to have elected Alternative 1.

#### Alternative 1

To have the Company either:

(a) if so required by section 707 of the Corporations Act, place the relevant Shares to persons who are excluded offerees for the purpose of section 708 of the Corporations Act, at a price not less than 80% of the weighted average of the prices at which Shares were traded on ASX



over the 5 days prior to the sale; or

(b) sell the relevant Shares on ASX,

and apply the proceeds of the sale in repayment of the Loan. If the proceeds exceed the amount of the Loan, the Company will then apply the balance to pay all reasonable expenses, including an administration fee of \$30 or such higher amount as may be fixed by the directors (having regard to increases in administration costs, any stamp duty and brokerage) and refund the surplus, if any, after the sale of the Shares to the Participant.

#### Alternative 2

To repay the Loan:

- (a) within 12 months in the event of the death or Event of Insolvency of the Participant or in the
  event that the Employee ceases to be an Employee as a result of retirement or retrenchment;
  or
- (b) within one month in the event that the Employee resigns, is terminated or otherwise ceases to be an Employee for any reason other than one set out above at paragraph (a),

and, upon repayment in full of the Loan, have the relevant Shares fully vested in their name.

#### 7. Restrictions on dealing in Shares and Holding Lock

Subject to the Rules, a Participant may not sell, transfer, assign, mortgage, charge or otherwise encumber a Share until the end of any applicable Restriction Period.

Until the expiry of any applicable Restriction Period in respect of the Shares, the Company:

- (a) will retain the share certificate (if any) and an executed share transfer form in respect of the Shares:
- (b) may apply a holding lock; and
- (c) may refuse to register a transfer of those Shares.

If the Company applies a holding lock (or requests the application of a holding lock) in respect of the Shares or refuses to register a transfer of the Shares, the Company must (in accordance with ASX Listing Rules 8.10.2 and 8.10.3) inform the Participant in writing of such request or refusal and the reason(s) for it within 5 business days of the request or date on which the transfer was lodged.

Following the expiry of the Restriction Period, a Participant may deal with its Shares as it sees fit, subject to compliance with the Company's 'Policy for Trading in Company Shares by Directors and Employees' and to compliance with legal requirements including the 'insider trading' rules.

#### 8. Rights attaching to Shares issued under the Share Plan

Shares which are issued under the Share Plan will rank equally in all respects (other than with respect to any restriction on dealing referred to in paragraph 7 above or otherwise imposed by the Board) with all Shares on issue.

The Company will apply for quotation for each Share issued under the Share Plan on ASX within the time prescribed by the ASX Listing Rules. The Company need not do so, however, if the Shares are not in a class of securities traded on ASX.



#### 9. Plan Limit

- (a) If, when making an offer (or offers) of Shares under the Share Plan, the Company does so in reliance on Class Order 14/1000, it must, at the time of making the offer(s), have reasonable grounds to believe that the number of shares in a class of shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of shares in that class on issue:
  - (i) shares that may be issued under the offer(s) (to the extent offered in reliance on Class Order [CO 14/1000]); or
  - (ii) shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
    - (A) the Share Plan or any other employee incentive scheme in reliance on Class Order [CO 14/1000] or its predecessors; or
    - (B) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
- (b) Offers of Shares issued other than in reliance on Class Order [CO 14/1000] or its predecessors or an ASIC exempt arrangement (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit in paragraph (a) above.

#### 10. Definitions

**ASX** means ASX Limited ABN 98 008 624 691, and where the context requires, the Australian Securities Exchange operated by ASX Limited.

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

**Board** means the board of Directors of the Company or a duly appointed committee of the Board with responsibility for operation of the Share Plan.

**Casual Employee** means an individual who is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the Company or any of its subsidiaries.

**Director** means a director of the Company from time to time.

**Employee** means any person who is a full-time or part-time employee of, or an executive director of, a Group Company; or a Casual Employee.

#### **Event of Insolvency** means:

- (a) a person is, or is deemed to be, insolvent, or is declared bankrupt; or
- (b) a liquidator, provisional liquidator, receiver, manager or administrator is appointed in respect of the person or any of the person's assets.

**Group** means the Company and its Subsidiaries.

**Group Company** means the Company or any of its Subsidiaries.

Invitation means an invitation made to an Employee in accordance with the Share Plan.



**Loan** means a loan made by the Company to an Employee under the Rules to finance the acquisition of Shares under the Share Plan.

**Participant** means an Employee to whom a Share under the Share Plan has been granted or, following the death of that Employee, their personal representative.

**Restriction Condition** means a condition set out in the Invitation that must be satisfied (unless waived by the Board in its absolute discretion) before the Shares to which the Restriction Condition applies can be sold, transferred, assigned, mortgaged, charged or otherwise encumbered.

**Restriction Period** means, in relation to a Share issued under the Share Plan, the period commencing on the date of issue of the Share and ending on the later of:

- (a) the date all Restriction Conditions that apply to that Share (if any) are satisfied or waived by the Board; and
- (b) the date any Loan in relation to the Shares is repaid in full or otherwise discharged under the Rules.

Rules means the rules of the Share Plan, as amended from time to time.

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

**Share Plan** means the Northern Minerals Limited Share Plan established in accordance with the Rules.

Subsidiary means a subsidiary, as defined in the Corporations Act, of the Company.



# Annexure B Summary of Performance Rights Plan

Set out below is a summary of the terms and conditions of the Northern Minerals Performance Rights Plan:

#### 1. Eligibility

The Company's Board may from time to time determine that an Eligible Participant may participate in the Plan and the extent of that participation. The Board will have regard to, amongst other things, the office or position held by or services provided by the Eligible Participant to the relevant Participating Employer, the length of office, position held or service of the Eligible Participant with the Participating Employer, the record of employment or engagement of the Eligible Participant with the Participating Employer, the potential contribution of the Eligible Participant, the extent of the existing participation of the Eligible Participant (directly or indirectly) in the Plan, and any other matters which the Board considers relevant.

#### 2. Invitations

The Board may issue an Invitation to an Eligible Participant, inviting an application for a grant of Performance Rights up to the number of Performance Rights specified in the Invitation. The Invitation will set out, amongst other things, the number of Performance Rights, the Vesting Date, the Expiry Date (if applicable), the exercise price (if any), any vesting conditions, the acceptance period and any matters required by any applicable ASIC Class Orders.

Performance Rights may be renounced in favour of an Eligible Person in relation to the Eligible Participant, subject to approval by the Committee.

#### 3. Applications

Following receipt of an Invitation, an application for the Performance Rights may be made by the Eligible Participant or an Eligible Person in relation to the Eligible Participant, as approved by the Committee, in whose favour the Eligible Participant renounces such Invitation (**Applicant**).

The Applicant may apply for the Performance Rights by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to the Invitation) (**Application**).

The Application must be received by the Company within the acceptance period specified in the Invitation, which cannot be less than 7 days from the date of the Invitation.

#### 4. Grant of Performance Rights

Upon acceptance of a duly signed and completed Application in accordance with the Rules, the Company may grant the Performance Rights applied for to the Applicant. Notwithstanding the lodgement of a completed Application, no entitlement to Performance Rights, or, if applicable, Shares to which those Performance Rights relate, accrues to an Applicant until the date on which those Performance Rights are granted to the Applicant by the Company.

#### 5. Exercise and Lapse of Performance Rights

(a) Performance Rights will vest when the vesting conditions prescribed in the relevant Invitation have been satisfied.



- (b) Subject to paragraph (c) below, Performance Rights may be exercised at any time from and including the Vesting Date up to and including the Expiry Date.
- (c) If an Invitation so provides, Performance Rights automatically convert to Shares on the Vesting Date with no exercise price being payable.
- (d) Subject to the below, Performance Rights lapse on the Expiry Date.
- (e) If a Participant ceases to be an Eligible Person prior to the Vesting Date, all such Performance Rights held by that Participant will lapse one month, or such longer period as determined by the Committee at its absolute discretion, after that Participant ceases to be an Eligible Person.
- (f) If a Participant ceases to be an Eligible Person by reason of any of the following events, the Performance Rights held by that Participant will lapse at the expiration of six months, or such longer period as determined by the Committee at its absolute discretion, after the relevant event:
  - (i) the retirement or retrenchment of the Participant, or if the Participant is not an Eligible Participant, the retirement or retrenchment of the Eligible Participant by virtue of whom a Participant holds Performance Rights;
  - (ii) the bankruptcy or commencement of winding up or deregistration procedures in respect of the Participant; or
  - (iii) the death of the Participant, or if the Participant is not an Eligible Participant, the death of the Eligible Participant by virtue of whom a Participant holds Performance Rights.

#### 6. Exercise procedure

- (a) Performance Rights that do not automatically convert to Shares upon vesting must be exercised by written notice to the Company.
- (b) Payment in full of the exercise price (if any) must accompany the notice of exercise.
- (c) The Company will issue the number of Shares specified in the notice of exercise to the Participant as soon as possible after the Vesting Date, subject to any necessary consents or approvals required by any competent authority having first been obtained and compliance by the Participant with the terms of its Performance Rights so exercised, the Company's 'Policy for Trading in Company Shares by Directors and Employees' and the Rules.
- (d) If Performance Rights automatically convert to Shares on the Vesting Date specified in an Invitation, the Company will issue one Share for each Performance Right vested (to be rounded to the nearest whole Share) as soon as possible after the Vesting Date, subject to any necessary consents or approvals required by any competent authority having first been obtained and compliance by the Participant with the terms of its Performance Rights so converted, the Company's 'Policy for Trading in Company Shares by Directors and Employees' and the Rules.

#### 7. Takeover bids etc

All Performance Rights issued under the Plan immediately vest in a Participant (to the extent they have not already vested or lapsed) and are immediately exercisable by that Participant if:

(a) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid:



- (b) a change of Control of the Company occurs; or
- (c) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act.

#### 8. Withholding

If the Company is required under relevant tax legislation to make withholdings on account of tax upon:

- (a) the exercise of Performance Rights by a Participant; or
- (b) the automatic conversion of Performance Rights to Shares,

the Board must sell sufficient of the Shares which would otherwise be issued to the Participant so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities, and must apply the net proceeds towards the payment to the authorities.

This arrangement does not apply if the Participant makes an alternative arrangement to the satisfaction of the Company.

#### 9. Restriction on Dealings, Dividends and Quotation

- (a) Performance Rights granted under the Plan may not be transferred or hedged.
- (b) Performance Rights carry no right to a dividend and no right to vote.
- (c) Performance Rights will not be quoted on ASX.

#### 10. Amendment and Termination

- (a) Subject to paragraph (b) below, the Board may amend, vary or supplement the Plan in any respect subject to compliance with the ASX Listing Rules.
- (b) The Board may not amend the provisions of the Plan to reduce the rights of Participants in respect of prior grants, other than an amendment primarily:
  - (i) to comply with, or conform to, present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
  - (ii) to correct any manifest error or mistake; or
  - (iii) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a Court of competent jurisdiction.
- (c) The Board may terminate the Plan at any time in which case no further Performance Rights will be granted.
- (d) The Board may in its absolute discretion:
  - increase of decrease the level of vesting irrespective of performance in relation to a vesting condition, if the Board forms the view in light of the circumstances that prevail during the period



during which rights may vest that either nil vesting or a different level of vesting would be more reasonable in the circumstances; and/or

- vest some or all of the Performance Rights prior to the end of the period during which rights may vest, if, in the circumstances it considers it appropriate to do so.
- (e) Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any vesting condition) in relation to any Performance Rights granted to any Participant.

#### 11. Plan limit

- (a) If, when making an offer (or offers) of Performance Rights under the Plan, the Company does so in reliance on Class Order 14/1000, it must, at the time of making the offer(s), have reasonable grounds to believe that the number of shares in a class of shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of shares in that class on issue:
  - (i) shares that may be issued under the offer(s) (to the extent offered in reliance on Class Order [CO 14/1000]); or
  - (ii) shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
    - (A) the Plan or any other employee incentive scheme in reliance on Class Order [CO 14/1000] or its predecessors; or
    - (B) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
- (b) Offers of Performance Rights made or Shares issued other than in reliance on Class Order [CO 14/1000] or its predecessors or an ASIC exempt arrangement (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit in paragraph (a) above.

#### 12. Definitions

**Applicant** has the meaning given in paragraph 3.

**Application** has the meaning given in paragraph 3.

**ASX** means ASX Limited ABN 98 008 624 691, and where the context requires, the Australian Securities Exchange operated by ASX Limited.

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

**Board** means the board of Directors of the Company.

**Casual Employee** means an individual who is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with a Participating Employer.

**Committee** means a committee appointed by the Board with responsibility for operation of the Plan, and whose members by majority must be non-executive Directors. If no Committee is appointed, a reference to Committee will be construed as a reference to the Board.



#### Contractor means:

- (a) an individual with whom a Participating Employer has entered into a contract for the provision of services under which the individual performs work for the Participating Employer; or
- (b) a company with whom a Participating Employer has entered into a contract for the provision of services under which an individual, who is a director of the company or their spouse, performs work for the Participating Employer,

where the individual who performs the work under or in relation to the contract is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the Participating Employer.

**Control** has the meaning given to it in section 50AA of the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cth).

#### Eligible Participant means:

- (a) a full-time or part time employee (including an executive director);
- (b) a non-executive director;
- (c) a Contractor;
- (d) a Casual Employee; or
- (e) a Prospective Participant,

in each case of, or in relation to, a Participating Employer.

#### Eligible Person means:

- (a) an Eligible Participant;
- (b) an Immediate Family Member (as defined in section 9 of the Corporations Act) of the Eligible Participant;
- (c) a company whose members comprise no persons other than individuals from categories (a) and (b) above; or
- (d) a corporate trustee of a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993 (Cth)) where the Eligible Participant is a director of the trustee.

**Expiry Date**, in relation to a Performance Right, means the date specified in an Invitation in respect of that Performance Right as being the final date that Performance Right can be converted to a Share (failing which, it will expire).

Invitation means an invitation made to an Eligible Participant in accordance with the Rules.

**Participant** means an Eligible Person to whom a Performance Right has been granted or, following the death of that Eligible Person, their personal representative.

Participating Employer means the Company or any Subsidiary.

Performance Right means a right issued under the Plan to acquire a Share.



**Plan** means the Northern Minerals Limited Performance Rights Plan established in accordance with the Rules.

**Prospective Participant** means a person to whom an Invitation is made on terms that the person can only accept that Invitation if an arrangement has been entered into that will result in the person becoming covered by one of paragraphs (a) to (d) of the definition of Eligible Participant.

Rules means the rules of the Plan, as supplemented and amended from time to time.

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

Subsidiary means a subsidiary, as defined in the Corporations Act, of the Company.

**Vesting Date**, in relation to a Performance Right, means (subject to the Rules), the date that Performance Right vests in a Participant as specified in the Invitation in respect of that Performance Right.



#### **Annexure C**

#### **Rule 163 of the Constitution**

#### 163. Partial takeovers

[compare section 648D]

#### 163.1 In this rule 163:

- (1) **proportional takeover scheme** means a proportional takeover bid as defined in section 9 of the Act and regulated by section 648D of the Act;
- (2) **relevant day** in relation to a takeover scheme means the day that is the 14th day before the end of the period during which the offers under the takeover scheme remain open; and
- (3) a reference to **a person associated with** another person has the meaning given to that expression by Division 2 of Part 1.2 of the Act.
- 163.2 Where offers have been made under a proportional takeover scheme in respect of shares included in a class of shares in the Company:
  - (1) other than where a transfer is effected in accordance with the takeover provisions (if any) under the ASX Settlement Operating Rules, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the takeover scheme is prohibited unless and until a resolution (in this rule 163.2 referred to as an approving resolution) to approve the takeover scheme is passed in accordance with this rule 163:
  - a person (other than the offeror or a person associated with the offeror) who, as at the end of the day on which the first offer under the takeover scheme was made, held shares in that class is entitled to vote on an approving resolution and, for the purpose of so voting, is entitled to 1 vote for each of the shares;
  - (3) an approving resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the resolution; and
  - (4) an approving resolution that has been voted on, is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 1/2, and otherwise is taken to have been rejected.
- 163.3 The provisions of this constitution that apply in relation to a general meeting of the Company apply with any modifications the circumstances require, in relation to a meeting that is convened pursuant to this rule 163 as if the last mentioned meeting were a general meeting of the Company.
- Where takeover offers have been made under a proportional takeover scheme then the directors must ensure that a resolution to approve the takeover scheme is voted on in accordance with this rule 163 before the relevant day in relation to the takeover scheme.
- Where a resolution to approve a takeover scheme is voted on in accordance with this rule 163, the Company must, on or before the relevant day in relation to the takeover scheme:
  - (1) give to the offeror; and
  - (2) serve on each notifiable securities exchange in relation to the Company;
  - a notice in writing stating that a resolution to approve the takeover scheme has been voted on and that the resolution has been passed, or has been rejected, as the case requires.
- Where, at the end of the day before the relevant day in relation to a proportional takeover scheme under which offers have been made, no resolution to approve the takeover scheme has been voted on in accordance with this rule 163, a resolution to approve the takeover



- scheme must, for the purposes of this rule 163, be treated as having been passed in accordance with this rule 163.
- Where a resolution to approve a proportional takeover scheme is voted on in accordance with this rule 163 before the relevant day in relation to the takeover scheme and is rejected, then:
  - (1) despite section 652A of the Act, all offers under the takeover scheme that have not, as at the end of the relevant day, been accepted, and all offers under the takeover scheme that have been accepted and from whose acceptance binding contracts have not, at the end of the relevant day, resulted, must be treated as withdrawn at the end of the relevant day; and
  - (2) a person who has accepted an offer made under the takeover scheme is entitled to rescind the contract (if any) resulting from that acceptance.
- Nothing in this rule 163 authorises the Company to interfere with any takeover transfer procedures contained in the ASX Settlement Operating Rules.
- 163.9 This rule 163 ceases to have effect on the 3rd anniversary of the date of its adoption or of its most recent renewal.



## **Proxy Voting Form**

Powering Technology

Northern Minerals Limited | ABN 61 119 966 353

Holder Number:

Your proxy voting instruction must be received by 10.00am (WST) on Tuesday 24 November 2020, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

#### **SUBMIT YOUR PROXY**

### Complete the form overleaf in accordance with the instructions set out below. YOUR NAME AND ADDRESS

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

#### STEP 1 - APPOINT A PROXY

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

#### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meetins VIII. If all to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirect proxies that default to the Chair of the Meeting will be voted account to the instructions set out in this Proxy Voting Form, including where the Resolutions are princed directly or indirectly with the remuneration of KMP. In exceptional circumstance, the Chair of the Meeting may change his voting intention, in which case any commount ment will be made.

#### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

#### APPOINTMENT OF SECOND PROXY

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

#### SIGNING INSTRUCTIONS

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

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

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

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

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

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

#### CORPORATE REPRESENTATIVES

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

#### Vaging your Proxy Voting Form:

#### Ol To

Use your computer or smartphone to appoint proxy at

https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

#### IN PERSON:

Automic Level 5, 126 Phillip Street Sydney NSW 2000

#### BY EMAIL:

meetings@automicgroup.com.au

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

**WEBCHAT:** https://automicgroup.com.au/

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

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STEP 1 - How to vote			
APPOINT A PROXY:  I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Northern Minerals L  (WST) on Thursday 26 November 2020 at Level 3, 88 Williams Street, Perth WA 6000 hereby:	imited, to be held at <b>10.00am</b>		
<b>Appoint the Chair of the Meeting (Chair)</b> OR if you are not appointing the Chair of the Meeting as your provided below the name of the person or body corporate you are appointing as your proxy or failing the person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if read subject to the relevant laws as the proxy sees fit and at any adjournment thereof.	he person so named or, if no		
The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.  Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention. In exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made.  AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS  Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4, 5 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4, 5 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.			
STEP 2 – Your voting direction			
Resolutions  1. Adoption of Remuneration Report (Non-Binding Resolution)	For Against Abstain		
1. Adoption of Nethanicidator Report (Non-Binding Resolution)			
2. Re-Election of Mr Adrian Griffin			
3. Approval of 10% Placement Facility			
4. Approval to Issue Securities Under Employee Share Plan			
5. Approval to Issue Securities Under Performance Rights Plan			
6. Renewal of Proportional Takeover Provisions			
7. Ratification of Previous Issue of Shares Ung Private Placement			
8. Issue of Future Placement Shares			
STEP 3 – Signatures and contact details			
Individual or Securityholder 1 Securityholder 2 Securityholder 3  Sole Director and Sole Company Secretary Contact Name:  Director Securityholder 2 Securityholder 3  Director Securityholder 3			
Email Address:  Contact Daytime Telephone  Date (DD/MM/YY)			

# By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).