
RAFAELLA RESOURCES LIMITED

ABN 49 623 130 987

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 3:00 pm AWST

DATE: Thursday, 26 November 2020

PLACE: Level 11, London House
216 St Georges Terrace
PERTH WA 6000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00 pm (AWST) on Tuesday, 24 November 2020.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.

The Board has made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, has arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Board changes prior to the Meeting, the Board will update Shareholders via the Company's ASX platform and website. **For those Shareholders who are unable to attend the Meeting in person, or who would prefer to attend the Meeting remotely, the Meeting will also be accessible to all Shareholders via videoconference. To access the Meeting by videoconference, Shareholders are advised to contact Amanda Wilton-Heald (Company Secretary) via email at info@rafaellaresources.com.au.**

BUSINESS OF THE ANNUAL GENERAL MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

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

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

Voting Prohibition Statement:

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

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
 - (b) a Closely Related Party of a member of the Key Management Personnel.
- However, a person (the **voter**) described above may vote on this Resolution as a proxy if the vote is not cast on their behalf and either:
- (a) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on this Resolution; or
 - (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you are a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel (or acting on behalf of such a person) and purport to cast a vote on this Resolution that will be disregarded by the Company, you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ROBERT WRIXON

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

"That, for the purposes of clause 14.2 of the Constitution, ASX Listing Rules 14.4 and 14.5, and for all other purposes, Robert Wrixon, a Director who retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – ROYSTON DENYSSCHEN

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

“That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Royston Denysschen, a Director who retires, and being eligible, is elected as a Director.”

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

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

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

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to 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 this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 5 – APPROVAL OF PERFORMANCE RIGHTS PLAN

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

“That, for the purpose of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, Shareholders approve the Plan and the issue of Equity Securities to participants under that Plan, on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Plan or an associate of that person or those persons. However, this does not apply to 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 this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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

- (a) the person is either:
 - (i) a member of the Key Management Personnel; or
 - (iii) a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

7. RESOLUTION 6 – ISSUE OF SHARES TO DIRECTOR – PETER HATFULL

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Shares to Peter Hatfull (or his nominee), on the terms and conditions set out in the Explanatory Statement."

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

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

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

Voting Prohibition Statement:

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

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

8. RESOLUTION 7 – ISSUE OF SHARES TO DIRECTOR – ASHLEY HOOD

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 250,000 Shares to Ashley Hood (or his nominee), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Ashley Hood (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

Voting Prohibition Statement:

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

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

Dated: 27 October 2020

By order of the Board

**Amanda Wilton-Heald
Company Secretary
Rafaella Resources Limited**

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report. Apart from the matters involving remuneration which are required to be voted upon, neither the Constitution nor the Corporations Act requires a vote of Shareholders at the Annual General Meeting on these reports.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to raise questions and make comments on these reports. In addition to asking questions at the Annual General Meeting, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, RSM Australia Partners, if the question is relevant to:

- (a) the content of the auditor's report to be considered at the Annual General Meeting; or
- (b) the conduct of the audit of the annual financial report of the Company to be considered at the Annual General Meeting.

Under section 250PA(1) of the Corporations Act, written questions for RSM Australia Partners must be delivered by 5:00 pm AWST on Thursday, 19 November 2020 to:

Post:
Company Secretary
GPO Box 2517
PERTH WA 6831

Email:
info@rafaellaresources.com.au

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.rafaellaresources.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that the Company include in the business of the Annual General Meeting a resolution that the Remuneration Report be adopted. However, such a resolution is advisory only and does not bind the Company or the Directors.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ended 30 June 2020.

The Chair must allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

2.2 Voting Consequences

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

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a further meeting of its shareholders (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the resolution to make the directors' report considered at the second annual general meeting was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the company is approved at the Spill Meeting will be the directors of the company.

2.3 Previous Voting Results

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ROBERT WRIXON

In accordance with ASX Listing Rule 14.4, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer. ASX Listing Rule 14.5 also provides that an entity which has directors must hold an election of directors at each annual general meeting.

Clause 14.2 of the Constitution provides that at an annual general meeting of the Company, one-third of the Directors for the time being excluding the Managing Director and any Director appointed to fill a casual vacancy who is to cease to hold office pursuant to clause 14.4 of the Constitution (or, if their number is not a multiple of three, then the number nearest one-third, rounded upwards in case of doubt) must retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they agree among themselves) be determined by drawing lots.

Robert Wrixon has served as a director since 27 August 2019. Ashley Hood was last re-elected at the Company's 2019 annual general meeting and Peter Hatfull was last re-elected at the Company's 2018 annual general meeting, and Steven Turner and Royston Denysschen are excluded from the calculation under clause 14.2 of the Constitution. As such, Robert Wrixon retires by rotation and seeks re-election.

3.1 Qualifications and Other Material Directorships

Robert Wrixon is currently a director of the mining venture capital group Starboard Global Limited and has 20 years of experience in corporate strategy, commodities marketing, mining M&A and mineral exploration management. He has previously run two listed resources companies in Australia, and prior to that spent five years in corporate strategy for Xstrata plc based in Sydney and London.

Mr Wrixon has not been a director of any ASX listed entities within the last 3 years.

3.2 Independence

If re-elected, the Board considers Robert Wrixon will be an independent director.

3.3 Board Recommendation

The Board (with Robert Wrixon abstaining) supports the re-election of Robert Wrixon and recommends Shareholders vote in favour of this Resolution.

4. RESOLUTION 3 – ELECTION OF DIRECTOR – ROYSTON DENYSSCHEN

ASX Listing Rule 14.4 and clause 14.4 of the Constitution provide that a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. Pursuant to ASX Listing Rule 14.4 and clause 14.4 of the Constitution, any Director so appointed holds office only until the next annual general meeting and is then eligible for election.

Royston Denysschen was appointed by the Board on 19 May 2020 as an addition to the existing Directors pursuant to clause 14.4 of the Constitution. As such, Royston Denysschen retires in accordance with clause 14.4 of the Constitution and seeks election.

4.1 Qualifications and Other Material Directorships

Royston Denysschen has been active in business development, commerce and logistics globally for over 20 years. He has held board positions in South African, Botswana, Australian and Canadian businesses. He is currently employed by Transamine Trading where he was director for Africa for 10 years. He has recently been appointed as director for Australia where he will oversee the Australian operations and business development.

Mr Denysschen is not currently a director of any ASX listed entities and has not formerly been a director of any ASX listed entities.

4.2 Independence

If elected, the Board considers Royston Denysschen will not be an independent director (even though he is a Non-Executive Director) as a result of his directorship of one of the Company's substantial Shareholders and the fact that the Company also has a service agreement with that Shareholder. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board, and he has acknowledged that he represents the interests of all Shareholders equally.

4.3 Board Recommendation

The Board (with Royston Denysschen abstaining) supports the election of Royston Denysschen and recommends Shareholders vote in favour of this Resolution.

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT FACILITY

5.1 General

Broadly speaking and subject to a number of exceptions, ASX 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 that it had on issue at the start of that period. Under ASX Listing Rule 7.1A, however, an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to increase this 15% limit by an extra 10%, such that the Eligible Entity will have the capacity to issue an additional number of Equity Securities equal to 10% of its issued capital (calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2) during the 10% Placement Capacity Period (as defined below) (**10% Placement Capacity**).

An Eligible Entity means an entity which:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less,

(**Eligible Entity**). The Company is an Eligible Entity for this purpose.

This Resolution seeks Shareholder approval for the Company to have the additional 10% Placement Capacity provided for in ASX Listing Rule 7.1A to issue Equity Securities without Shareholder Approval. Any Equity Securities issued under the 10% Placement Capacity must be in an existing quoted class of Equity Securities.

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

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

5.2 Technical Information Required by ASX Listing Rule 7.3A

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

(a) Minimum Price

Any Equity Securities issued under the 10% Placement Capacity must be issued for a cash consideration per Equity Security which is not less than 75% of the volume weighted average market price for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Eligible Entity and the recipient of the Equity Securities; or

- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(a)(i), the date on which the Equity Securities are issued.

(b) **Period for which approval will be valid**

The Equity Securities may be issued under the 10% Placement Capacity during the period commencing on the date of the Meeting and expiring on 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; or
- (iii) the time and date of the approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (a disposal of the Company's main undertaking),

(10% Placement Capacity Period).

(c) **Risk of Voting Dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

A table describing the notional possible dilution, based upon various assumptions as stated, is set out below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 as at 16 October 2020 and the market price of Shares on that date.

The table below also shows two examples where Variable A increases by 50% and 100%, and two examples where the issue price of Shares issued under the 10% Placement Capacity decreases by 50% and increases by 50%, as against the current market price of Shares.

		Dilution			
Variable A in ASX Listing Rule 7.1A.2		Shares issued – 10% voting dilution	Issue Price		
			\$0.0475	\$0.095	\$0.1425
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	90,575,571 Shares	9,057,557 Shares	\$430,234	\$860,468	\$1,290,702
50% increase	135,863,357 Shares	13,586,336 Shares	\$645,351	\$1,290,702	\$1,936,053
100% increase	181,151,142 Shares	18,115,114 Shares	\$860,468	\$1,720,936	\$2,581,404

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

The table has been prepared on the following assumptions:

1. The issue price is \$0.095, being the closing price of Shares on ASX on 16 October 2020.
2. The Company issues the maximum possible number of Shares under the 10% Placement Capacity.
3. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no options are exercised to convert into Shares before the date of issue of the Shares under the 10% Placement Capacity.
4. This table only shows the effect of issues of Shares under the 10% Placement Capacity, and not under the 15% placement capacity under ASX Listing Rule 7.1.
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
6. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of Share issues under the 10% Placement Capacity, based on that Shareholder's holding at the date of this Notice.

Shareholders should note that that there is a risk that:

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

(d) Purpose for which the funds raised by an issue of Equity Securities under the 10% Placement Capacity may be used

Equity Securities issued under the 10% Placement Capacity can only be issued for cash consideration.

It is the current intention of the Board that any funds raised under an issue of Equity Securities under the 10% Placement Capacity will be applied towards strategic investments or acquisitions by the Company to further expand its portfolio of assets as and when reviewed and approved by the Board, and/or general working capital requirements (including salaries, office administration costs, corporate advisory service costs, and compliance fees).

The Company will comply with its disclosure obligations under ASX Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities under the 10% Placement Capacity.

(e) Allocation Policy Under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties or associates of related parties of the Company.

The Company will determine the recipients at the time of the issue of Equity Securities under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;

- (ii) alternative methods for raising funds available to the Company at that time, including but not limited to an entitlement issue or other offer where existing Shareholders may participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the circumstances of the Company, including but not limited to the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- (f) **Issue of Equity Securities under 10% Placement Capacity in the 12 months preceding the date of the Meeting**

The Company obtained Shareholder approval at both its 2018 annual general meeting and its 2019 annual general meeting for the purposes of ASX Listing Rule 7.1A. The following information is provided for the purposes of ASX Listing Rule 7.3A.6:

- (i) the total number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 month period preceding the date of the Meeting is 7,113,665, which were Shares issued on 26 August 2020, which represented 10% of the Equity Securities on issue at the commencement of that 12 month period; and
- (ii) for the 7,113,665 Shares issued:
 - (A) they were issued to institutional and sophisticated investors under the placement announced on 21 August 2020, who were selected based on the bidder type, bid timing and volume, existing holdings of each bidder, prior investment behaviours of each bidder, and aggregate demand for the relevant Shares;
 - (B) fully paid ordinary shares were issued;
 - (C) the issue price was \$0.08 per Share which represented a 4% discount to the closing Share price on the date of issue, being 26 August 2020; and
 - (D) the total cash consideration received for these 7,113,665 Shares was \$569,093.20. None of these funds have been spent at the date of this Notice of Meeting, and are intended for the acquisition and maintenance of the Midrim and Laforce projects (subject to completion of the tenement sale agreement in respect of those projects occurring), progressing the Santa Comba project feasibility work, satisfying corporate overheads, and supplementing working capital.

5.3 Voting Exclusion

A voting exclusion statement is included in this Notice. However, as at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under

ASX Listing Rule 7.1A.2. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

6. RESOLUTION 5 – APPROVAL OF PERFORMANCE RIGHTS PLAN

6.1 General

The Board has recently prepared a Performance Rights Plan (**Plan**) under which members of senior management of the Company (**Senior Managers**) may be offered performance rights.

The objective of the Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Plan and the future issue of Equity Securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

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

ASX Listing Rule 7.2 (Exception 13(b)) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of Equity Securities under the scheme as exception to ASX Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of Equity Securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to its shareholders in respect of the meeting at which shareholder approval was obtained pursuant to ASX Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in that notice of meeting.

If this Resolution is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of 3 years. The issue of any Equity Securities to eligible participants under the Plan (up to the maximum stated in Section 6.2(c) below) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under ASX Listing Rule 10.14 in respect of any future grants of performance rights under the Plan to a Director or any associate of a Director, or a person whose relationship with the Company or any Director or associate of a Director is such that, in ASX's opinion, approval should be obtained.

If this Resolution is not passed, the Company will be able to proceed with the issue of Equity Securities under the Plan to eligible participants, but any such issues will reduce the Company's capacity to issue Equity Securities without Shareholder approval under ASX Listing Rule 7.1 for the 12 month period following their issue.

6.2 Technical Information Required by ASX Listing Rule 7.2 (Exception 13(b))

Pursuant to and in accordance with ASX Listing Rule 7.2 (Exception 13(b)), the following information is provided in relation to this Resolution:

- (a) a summary of the terms of the Plan is set out in Section 6.3 below;

- (b) the Company has not issued any securities under this new Plan as this is the first time that Shareholder approval is being sought in respect of the Plan;
- (c) the maximum number of Equity Securities proposed to be issued by the Company under the Plan over the next three years will not exceed 5% of the Company's Equity Securities currently on issue (being 4,528,779), subject to adjustment in the event of a reorganisation of capital and subject to applicable laws and the ASX Listing Rules; and
- (d) a voting exclusion statement for this Resolution 5 is included in this Notice.

6.3 Principal Terms of the Plan

Subject to Shareholder approval, it is proposed that certain present and future Senior Managers as chosen by the Board will be offered the opportunity to participate in the Plan.

If this Resolution 5 is approved, it is anticipated that participation in the Plan will be made available to the Senior Managers from 1 December 2020. Offers to participate in the Plan may be extended to Senior Managers in the future as the Board considers appropriate.

A summary of the terms of the Plan is included in Annexure A.

7. RESOLUTION 6 – ISSUE OF SHARES TO DIRECTOR – PETER HATFULL

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 500,000 fully paid ordinary Shares to Peter Hatfull (**Hatfull Related Party Shares**) on the terms and conditions set out below. The Hatfull Related Party Shares form part of the remuneration payable to Mr Hatfull in connection with his engagement as a Director of the Company.

7.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Hatfull Related Party Shares constitutes the giving of a financial benefit and Mr Hatfull is a related party of the Company by virtue of being a Director.

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

7.3 ASX Listing Rule 10.11

In addition, ASX Listing Rule 10.11 also requires an ASX-listed entity to obtain shareholder approval before issuing, or agreeing to issue, Equity Securities to a related party, a person who is (or as at any time in the six months before the issue or agreement) a substantial (30%+) holder in the entity, a person who is (or was at any time in the six months before the issue or agreement) a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so, an associate of any such person(s), or a person whose relationship with the entity or any such person(s) is such that, in ASX's opinion, approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Hatfull Related Party Shares constitutes the issue of Equity Securities to a person to whom ASX Listing Rule 10.11 applies, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.4 Technical information required by ASX Listing Rule 10.13

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

- (i) the Hatfull Related Party Shares will be issued to Peter Hatfull (or his nominee);
- (ii) Mr Hatfull is a person to whom ASX Listing Rule 10.11 applies by virtue of being a Director;
- (iii) the number of Hatfull Related Party Shares to be issued is 500,000 Shares;
- (iv) the Hatfull Related Party Shares will be issued no later than 1 month after the date of the Meeting;
- (v) the purpose of the issue is to remunerate Mr Hatfull (for a two-year period) in accordance with the terms of his remuneration package (the details of which are provided at paragraph (vii) below);
- (vi) the Hatfull Related Party Shares will be issued for nil cash consideration, and accordingly, no funds will be raised;
- (vii) Mr Hatfull's current full remuneration package comprises:
 - (A) a Director's fee of \$72,000 per annum (excluding superannuation); and
 - (B) annual bonus Share payments of 250,000 Shares;
- (viii) the Hatfull Related Party Shares will be issued on the same terms and conditions as the Company's existing Shares; and
- (ix) a voting exclusion statement for this Resolution 6 is included in this Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Hatfull Related Party Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Hatfull Related Party Shares to Peter Hatfull (or his nominee) will not be included in the use of the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 (pursuant to ASX Listing Rule 7.2 (Exception 14)).

8. RESOLUTION 7 – ISSUE OF SHARES TO DIRECTOR – ASHLEY HOOD

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 250,000 fully paid ordinary Shares to Ashley Hood (**Hood Related Party Shares**) on the terms and conditions set out below. The Hood Related Party Shares form part of the remuneration payable to Mr Hood in connection with his engagement as a Director of the Company.

8.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Hood Related Party Shares constitutes the giving of a financial benefit and Mr Hood is a related party of the Company by virtue of being a Director.

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

8.3 ASX Listing Rule 10.11

In addition, ASX Listing Rule 10.11 also requires an ASX-listed entity to obtain shareholder approval before issuing, or agreeing to issue, Equity Securities to a related party, a person who is (or as at any time in the six months before the issue or agreement) a substantial (30%+) holder in the entity, a person who is (or was at any time in the six months before the issue or agreement) a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so, an associate of any such person(s), or a person whose relationship with the entity or any such person(s) is such that, in ASX's opinion, approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Hood Related Party Shares constitutes the issue of Equity Securities to a person to whom ASX Listing Rule 10.11 applies, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

8.4 Technical information required by ASX Listing Rule 10.13

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

- (i) the Hood Related Party Shares will be issued to Ashley Hood (or his nominee);

- (ii) Mr Hood is a person to whom ASX Listing Rule 10.11 applies by virtue of being a Director;
- (iii) the number of Hood Related Party Shares to be issued is 250,000 Shares;
- (iv) the Hood Related Party Shares will be issued no later than 1 month after the date of the Meeting;
- (v) the purpose of the issue is to remunerate Mr Hood (for a one-year period) in accordance with the terms of his remuneration package (the details of which are provided at paragraph (vii) below);
- (vi) the Hood Related Party Shares will be issued for nil cash consideration, and accordingly, no funds will be raised;
- (vii) Mr Hood's current full remuneration package comprises:
 - (A) a Director's fee of \$55,000 per annum (excluding superannuation);
 - (B) consultancy fees of \$650 per day (excluding GST) (though there have been no consultancy fees paid to Mr Hood under the consultancy agreement between the Company and Mr Hood, a summary of the terms of which is included in Annexure B, in the 12 month period before the date of this Notice); and
 - (C) annual bonus Share payments of 250,000 Shares;
- (viii) the Hood Related Party Shares will be issued on the same terms and conditions as the Company's existing Shares; and
- (ix) a voting exclusion statement for this Resolution 7 is included in this Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Hood Related Party Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Hood Related Party Shares to Ashley Hood (or his nominee) will not be included in the use of the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 (pursuant to ASX Listing Rule 7.2 (Exception 14)).

VOTING IN PERSON

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

VOTING BY PROXY

To appoint a proxy, please complete and sign the proxy form enclosed and either:

- (a) send the Proxy Form by post to Automic, GPO Box 5193, SYDNEY NSW 2001;
- (b) deliver the Proxy Form in person to Automic, Level 5, 126 Phillip Street, SYDNEY NSW 2000; or
- (c) vote online at: <https://investor.automic.com.au/#/loginsah>,

so that it is received by 3:00 pm AWST on Tuesday, 24 November 2020 (being not less than 48 hours prior to commencement of the Meeting).

Proxy forms received later than this time will be invalid.

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

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

Shareholders and their proxies should be aware that:

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

GLOSSARY

10% Placement Capacity has the meaning given in Section 5.1.

10% Placement Capacity Period has the meaning given in Section 5.2(b).

2020 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the financial year ended 30 June 2020, which can be downloaded from the Company's website at www.rafaelleresources.com.au.

Annual General Meeting or **Meeting** means the 2020 Annual General Meeting of the Company convened by this Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

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

Board means the board of Directors of the Company.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of paragraph (f) of the definition of 'closely related party' in section 9 of the *Corporations Act*.

Company means Rafaella Resources Limited (ABN 49 623 130 987).

Constitution means the constitution of the Company.

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

Directors means the directors of the Company.

Eligible Entity has the meaning given in Section 5.1.

Equity Securities has the meaning given to that term in the ASX Listing Rules.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Half Full Related Party Shares has the meaning given in Section 7.1.

Hood Related Party Shares has the meaning given in Section 7.1.

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

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

Plan has the meaning given in Section 6.1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means that section of the Directors' report under the heading "Remuneration Report" set out in the 2020 Annual Report.

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

Section means a section of the Explanatory Statement.

Senior Managers has the meaning given in Section 6.1.

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

Shareholder means a registered holder of a Share.

Spill Meeting has the meaning given in Section 2.2.

Spill Resolution has the meaning given in Section 2.2.

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

Summary of the terms of the Plan

Eligible Participant	<p>The Board may designate:</p> <ul style="list-style-type: none"> (a) an employee of the Company or any of its related bodies corporate (Employee); or (b) any person who acts in an advisory capacity for, or is engaged in the provision of services to, the Company or any of its related bodies corporate (i.e. a consultant), <p>as an eligible participant for the purposes of the Plan (Eligible Participant), provided that if the relevant Eligible Participant is an Employee, they have satisfied any minimum probationary period applicable to their employment. A Director who is also an Employee may also be designated an Eligible Participant. Eligible Participants who receive a written offer to participate in the Plan (Offer) may nominate a body corporate that they control or any other entity as the Board may determine (Permitted Nominee) to hold their performance rights, though the Company has absolute discretion to decide whether the performance rights are granted to the Eligible Participant or their Permitted Nominee. For the purposes of this summary, Participant means an Eligible Participant or their Permitted Nominee (as the case requires).</p>
Offer of performance rights	<p>The Board may offer any number of performance rights to an Eligible Participant on the terms the Board decides by giving the Eligible Participant an Offer, subject to the Plan and any applicable law or the ASX Listing Rules. An Offer is required to set out particular details, including but not limited to the total number of performance rights which the Eligible Participant may accept, the time period for acceptance of the Offer, the vesting date, any vesting conditions, any disposal restrictions, and any other terms attaching to the performance rights.</p>
Acceptance of Offer by Eligible Participant	<p>To accept an Offer, an Eligible Participant must complete, sign and return the acceptance form annexed to their Offer.</p>
Maximum performance rights granted	<p>To the extent that a grant of performance rights is made in reliance on ASIC Class Order [CO 14/1000] (or some other relief or exemption from the disclosure requirements of Chapter 6D of the Corporations Act), then the Board must limit the number of performance rights granted to such number permitted under the relevant instrument of relief (if any).</p>
No payment for grant of performance rights or issue, transfer or allocation of Shares	<p>A Participant is not required to pay for the grant of any performance rights or the issue, transfer or allocation of Shares on vesting of performance rights.</p>
Establishment of Trust	<p>The Board may, in its sole and absolute discretion, use a trust for the purpose of delivering Shares to Participants upon vesting of performance rights, and holding Shares for Participants of the Plan (Trust).</p>
Vesting of performance rights	<p>Once performance rights vest, the Participant will be issued, transferred or allocated Shares, unless the Company decides to provide a cash payment in lieu of Shares.</p>

Lapse of Performance Rights before the vesting date	The Plan makes provision for lapse of performance rights if certain events occur before the vesting date for a performance right, for example if the Eligible Participant resigns or vacates from employment or consultancy with the Company or any of its related bodies corporate.
Adjustment for reconstruction of issued capital of the Company	If there is a reconstruction of the issued capital of the Company (including a consolidation, subdivision, capital reduction, or return of capital), the number of Shares over which a performance right exists will be adjusted (as appropriate) to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital.
No dividend rights	A Participant does not have the right to participate in dividends on Shares until Shares are issued, transferred or allocated after vesting of the performance rights.
No voting rights	A Participant does not have the right to vote in respect of a performance right.
Participation in pro rata or bonus issues of Shares	A Participant cannot participate in a pro rata or bonus issue of Shares without being issued, transferred or allocated Shares for their performance rights. If a pro rata bonus or cash issue of securities is awarded by the Company, the number of Shares over which a performance right exists will be adjusted as specified in the ASX Listing Rules and written notice will be given to the Participant.
Non-transferability of performance rights	With the exception of transmission of performance rights to a legal personal representative of an Eligible Participant following their death, Participants must not create a security interest in, transfer, assign, dispose, or otherwise deal with, performance rights, or any interest in performance rights, without the prior written consent of the Board.
Unquoted performance rights	The Company will not apply to ASX for official quotation of any performance rights.
No interest in Shares	A Participant has no interest in Shares the subject of performance rights unless and until vesting of those performance rights occurs and Shares are issued, transferred or allocated to that Participant.
Change of Control Trigger Event	<p>If a Change of Control Trigger Event occurs, the vesting date of all performance rights is the date on which the Change of Control Trigger Event occurs.</p> <p>'Change of Control Trigger Event' means:</p> <ul style="list-style-type: none"> (a) a person acquires voting power (within the meaning of section 610 of the Corporations Act) in more than 50% of the ordinary shares in the Company, unless this occurs as a result of a new issue of Shares by the Company, in which case whether a Change of Control Trigger Event has occurred will be determined by the Board at its discretion; (b) an order of the court made for the purposes of section 411(4)(b) of the Corporations Act, in connection with a members' scheme of arrangement to effect a change of Control of the Company, is lodged with ASIC under section 411(10) of the Corporations Act; (c) the Company disposes of the whole or a substantial part of its assets or undertaking; or (d) an event set out in paragraph (a) to (c) above is, in the opinion of the Board, likely to occur in the near future and

	<p>the Board decides to nominate a date on which a Change of Control Trigger Event is taken to have occurred, (Change of Control Trigger Event).</p>
Issue, transfer or allocation of Shares on vesting	<p>The Company will issue, transfer or allocate Shares to a Participant at the next Board meeting, or within 20 business days, whichever first occurs after vesting. The Company will apply to ASX for official quotation of any Shares issued, transferred or allocated (unless already quoted) to a Participant after vesting of a performance right within the time prescribed by the ASX Listing Rules but, in any event, within ten business days of the issue, transfer or allocation of those Shares.</p>
Ranking of Shares issued, transferred or allocated	<p>A Share issued, transferred or allocated under a performance right after vesting ranks equally with all existing Shares from the date of allotment, subject to the terms of the trust deed constituting the Trust (if relevant).</p>
Disposal restrictions	<p>If an Offer contains disposal restrictions, the Participant must comply with the disposal restrictions (or direct the trustee of the Trust, if applicable, to do so) in relation to all Shares issued, transferred or allocated after vesting for the period specified in the Offer. If the Shares issued, transferred or allocated after vesting to a Participant are subject to a disposal restriction, the Company (or the trustee of the Trust, if relevant) may implement any procedure (including a holding lock) it considers appropriate to ensure the disposal restriction is complied with for the period specified in the Offer. A disposal restriction ceases to apply immediately upon a Change of Control Trigger Event occurring.</p>
Amending the Plan	<p>The Board must not make any amendment to the Plan which would have the effect of materially adversely affecting or prejudicing the rights of any Participant holding performance rights at the relevant time, except for amendments:</p> <ul style="list-style-type: none"> (a) to comply with the Constitution, the Corporations Act, the ASX Listing Rules or any other law affecting the maintenance or operation of the Plan; (b) to correct a manifest error; or (c) to address potential adverse tax implications affecting the Plan arising from changes to laws relating to taxation, the interpretation of laws relating to taxation by the relevant governmental authorities (including the release of any ruling), courts or tribunals, <p>or which would effect a change to increase the number of Shares to which a Participant is entitled on vesting or change the vesting date unless permitted by the Corporations Act and the ASX Listing Rules.</p> <p>The Board may otherwise amend the Plan in any manner it decides.</p>
Administration of the Plan	<p>The Board is responsible for administering the Plan in accordance with its terms. The Board may make policy and regulations for the operation of the Plan which are consistent with the Plan and may delegate necessary functions to an appropriate service provider or employee capable of performing those functions and implementing those policies. The decision of the Board as to the interpretation, effect or application of the Plan is final.</p>

Summary of the terms of the consultancy agreement between the Company and Mr Hood

- **Commencement Date:** 12 December 2017.
- **Term:** The agreement continues until it is validly terminated in accordance with its terms.
- **Notice period:** The Company must give 24 months' notice to Mr Hood to terminate the agreement, other than for cause. Mr Hood must give 6 months' notice to the Company to terminate the agreement.
- **Salary:** The base salary payable was originally \$75,000 per annum (excluding superannuation). Effective 21 May 2019, the base salary payable was increased to \$110,000 per annum (excluding superannuation). Effective 1 March 2020, the base salary payable was decreased to \$55,000 per annum (excluding superannuation).
- **Consulting fees:** Mr Hood is entitled to receive consulting fees of \$650 (excluding GST) per day for technical services provided to the Company and for which an invoice has been given to the Company for work performed.
- **Share issue:** Subject to compliance with the ASX Listing Rules and the Corporations Act, the Company will issue 250,000 fully paid ordinary Shares in the Company to Mr Hood (or his nominee) on each anniversary of the Commencement Date during which Mr Hood remains engaged under the agreement. Subject to compliance with the ASX Listing Rules and the Corporations Act, the Company was also required to issue a 500,000 fully paid ordinary Shares in the Company to Mr Hood (or his nominee) in the event that the Company completed a particular acquisition, which has occurred (such that these Shares have already been issued).
- **Expenses:** The Company must reimburse Mr Hood for all reasonable expenses incurred by him in the performance of his duties in connection with the Company.
- **Miscellaneous:** The agreement otherwise contains leave entitlement, termination, confidentiality, and other general provisions customary for an agreement of its nature.

AGM Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **3.00pm (AWST) 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> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

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IN PERSON:

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