



TARUGA

Taruga Minerals Limited

ACN 153 868 789

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Monday, 30 November 2020

3:00pm (WST)

Ascent Capital
Level 1, 33 Ord Street
West Perth WA 6005
Australia

The Annual Report is available online at www.tarugaminerals.com.au

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company will not be dispatching physical copies of the Notice. For shareholders that the Company has email addresses on records, the Company will send a copy of this Notice and material relating to the Meeting or provide a link to where the Notice and other material can be viewed or downloaded by email. To the other Shareholders, the Company will send a letter setting out a URL for viewing or downloading the Notice and other material. Shareholders can access a copy of the Notice at the following link: www.tarugaminerals.com.au.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 4036.

BUSINESS OF THE MEETING

AGENDA

Annual Report

To receive and consider the Company's Annual Report for the year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Adoption of Remuneration Report

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

"That the Remuneration Report included in the Annual Report for the financial year ended 30 June 2020 be adopted by the Shareholders on the terms and conditions set out in the Explanatory Memorandum."

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

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 such a member.

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

- (c) the voter does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- (d) 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 if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 2 – Re-election of Director – Gary Steinepreis

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

"That Mr Steinepreis, retires by rotation in accordance with clause 11.3 of the Constitution and, being eligible, is hereby re-elected as a Director."

Resolution 3 – Re-election of Director – Eric De Mori

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

"That Mr de Mori, having been appointed by the Directors on 26 July 2020 until this Annual General Meeting, retires in accordance with clause 11.10 of the Constitution and, having offered himself for re-election and being eligible, is hereby re-elected as a Director."

Resolution 4 – Re-election of Director – Paul Cronin

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

"That Mr Cronin, having been appointed by the Directors on 26 July 2020 until this Annual General Meeting, retires in accordance with clause 11.10 of the Constitution and, having offered himself for re-election and being eligible, is hereby re-elected as a Director."

Resolution 5 – Approval of Taruga Minerals Limited Securities Incentive Plan

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

"That, pursuant to and in accordance with Listing Rule 7.2 (Exception 13(b)) and for all other purposes, the Company's employee incentive plan titled "Taruga Minerals Incentive Plan" is approved and the Company is authorised to issue Performance Rights, Options and Shares on exercise of Options in accordance with the Taruga Minerals Incentive Plan, on the terms and conditions set out in the Explanatory Memorandum."

Voting Prohibition and Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.

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

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

Voting Prohibition Statement

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 5.

Resolution 6 - Issue of Incentive Options to Gary Steinepreis

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

“That, subject to the passing of Resolution 5, for the purposes of section 195(4) of the Corporations Act, Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of up to 5,000,000 Incentive Options to Gary Steinepreis (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Prohibition Statement:

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

- (a) Gary Steinepreis (or his nominee); or
- (b) an associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 7 - Issue of Incentive Options to Mark Gasson

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

“That, subject to the passing of Resolution 5, for the purposes of section 195(4) of the Corporations Act, Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of up to 5,000,000 Incentive Options to Mark Gasson (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Prohibition Statement:

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

- (a) Mark Gasson (or his nominee); or
- (b) an associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 Incentive Options to Paul Cronin

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

“That, subject to the passing of Resolution 5, for the purposes of section 195(4) of the Corporations Act, Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of up to 5,000,000 Incentive Options to Paul Cronin (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Prohibition Statement:

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

- (a) Paul Cronin (or his nominee); or
- (b) an associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 9 - Issue of Incentive Options to Eric de Mori

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

“That, subject to the passing of Resolution 5, for the purposes of section 195(4) of the Corporations Act, Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of up to 5,000,000 Incentive Options to Eric de Mori (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Prohibition Statement:

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

- (a) Eric de Mori (or his nominee); or
- (b) an associate of those persons.

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

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

Resolution 10 – Ratification of Prior Issue – 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 27,613,184 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or a person who is a counterparty to the agreement being approved; or
- (b) an associate of a person or those persons who participated in the issue or is a counterparty to the agreement being approved.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 11 – Ratification of Prior Issue – 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 39,053,483 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or a person who is a counterparty to the agreement being approved; or
- (b) an associate of a person or those persons who participated in the issue or is a counterparty to the agreement being approved.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 12 – Approval of 10% Placement Facility

To consider and if thought fit, to pass the following 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 Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Memorandum.”

Dated 27 October 2020

BY ORDER OF THE BOARD



Gary Steinepreis

Director

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of members of Taruga Minerals Limited ("Taruga") in connection with the business to be conducted at the Annual General Meeting to be held on Monday, 30 November 2020 commencing at 3:00 pm at Ascent Capital, Level 1, 33 Ord Street, West Perth WA 6005.

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the resolutions to Shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Memorandum.

The purpose of this Explanatory Memorandum is to provide information for Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting in person

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

In light of the status of the evolving COVID-19 situation and the Commonwealth and State government restrictions on public gatherings in place at the date of this Notice of Meeting, the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Meeting. The Chairman will adjourn the Meeting where the number of attendees may lead to the breach local public health laws and regulations.

Voting by proxy

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

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to

exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (www.automicgroup.com.au).

Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on 28 November 2020.

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.

Voting via poll

All Resolutions under this Notice will be determined by poll.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at dan.smith@minervacorporate.com.au by 5:00 pm (WST) on Friday, 27 November 2020.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

1. Annual Report

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2020 Annual Report will be tabled at the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report, however Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

The Annual Report is available online at www.tarugaminerals.com.au.

Representatives from the Company's auditors, HLB Mann Judd, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report; and
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

The Annual Report for the financial year ended 30 June 2020 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company's remuneration policy.

2.2 Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2020 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2020 annual general meeting. All the Directors who were in office when the Company's 2020 Director's report 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 is approved will be the Directors of the Company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report were less than 25%. Accordingly, the resolution for the re-election of the Board is not relevant for this Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

3. Resolution 2 – Re-election of Director – Gary Steinepreis

In accordance with the requirements of the Company's Constitution and the Corporations Act, one-third of the Directors of the Company retire from office at this Annual General Meeting, and, being eligible, may offer themselves for re-election. Mr Steinepreis retires by rotation and offers himself for re-election.

Details of Mr Steinepreis' background and experience are set out in the Annual Report.

Board Recommendation

The Board (excluding Mr Steinepreis) recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

4. Resolution 3 – Re-election of Director – Eric de Mori

Mr de Mori was appointed to the Board during the year in accordance with clause 11.10 of the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr de Mori automatically retires at this Annual General Meeting in accordance with clause 11.10 of the Constitution, and being eligible, seeks re-election at the Meeting.

Details of Mr de Mori's background and experience are set out in the Company's Annual Report.

Board Recommendation

The Board (excluding Mr de Mori) recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

5. Resolution 4 – Re-election of Director – Paul Cronin

Mr Cronin was appointed to the Board during the year in accordance with clause 11.10 of the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Cronin automatically retires at this Annual General Meeting in accordance with clause 11.10 of the Constitution, and being eligible, seeks re-election at the Meeting.

Details of Mr Cronin's background and experience are set out in the Company's Annual Report.

Board Recommendation

The Board (excluding Mr Cronin) recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

6. Resolution 5 - Approval of Taruga Minerals Limited's Incentive Plan

6.1 Background

Whilst the Constitution and Corporations Act do not require that Shareholders approve an Incentive Plan, as a matter of good corporate governance the Board is seeking such approval under Resolution 5.

The aim of the Incentive Plan is to allow the Board to assist eligible participants who, in the Board's opinion, are dedicated and will provide ongoing commitment and effort to the Company. Participants in the Incentive Plan may include full-time or permanent part-time employees of the Company or a related body corporate (which includes Directors, the Company Secretary and officers), or such other persons as the Board determines, including contractors of the Group (Eligible Participants).

The Incentive Plan is subject to the Corporations Act, including that financial benefits (including issues of securities under the Incentive Plan) issued to related parties require prior

shareholder approval under Chapter 2E of the Corporations Act, unless an exception applies. See below for further information on Chapter 2E.

The Board believes that grants to Eligible Participants under the Incentive Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the Incentive Plan will:

- (a) enable the Company to recruit, incentivise and retain key personnel needed to achieve the Company's business objectives;
- (b) link the reward of key personnel with the achievements of strategic goals and the long-term performance of the Company;
- (c) align the financial interest of participants of the Incentive Plan with those of Shareholders; and
- (d) provide incentives to participants of the Incentive Plan to focus on superior performance that creates Shareholder value.

The key features of the Incentive Plan are as follows:

- (e) The Board will determine the number of Incentive Options (or Performance Rights as applicable) to be granted to Eligible Participants (or their nominees), the vesting conditions (if any) and expiry date of the Incentive Options at its sole discretion. As at the date of this Notice, the Board intends to cap the maximum number of equity securities issued under the Incentive Scheme within the three year period from the date of passing of Resolution 5 is 50,000,000 securities.;
- (f) The Incentive Options, once granted, will not be transferable unless the Board determines otherwise or a transfer is required by law and provided that the transfer complies with the Corporations Act; and
- (g) Subject to the Corporations Act and the ASX Listing Rules for Companies and restrictions on reducing the rights of a holder of Incentive Options, the Board will have the power to amend the Incentive Plan as it sees fit.

As at the date of this Notice, no securities have been issued under the Incentive Plan.

Details of any securities issued pursuant to the Incentive Plan will be published in the Company's Annual Report relating to the period in which they were issued.

6.2 Specific information required by Listing Rule 7.2, Exception 13(b)

Pursuant to and in accordance with Listing Rule 7.2, Exception 13(b), a detailed overview of the terms of the Incentive Plan is attached in **Annexure A**. A copy of the Incentive Plan may be obtained by contacting the Company.

A voting exclusion statement is included in the Notice.

7. RESOLUTIONS 6 to 9 - GRANT OF INCENTIVE OPTIONS TO THE DIRECTORS

7.1 Details of the proposed grant of options to Directors

Subject to obtaining Shareholder approval in respect of Resolution 5 and Resolutions 6 to 9 (inclusive), the Company proposes to grant options each exercisable at a 45% premium to

the 5-day VWAP of the Company's Shares prior to the date of issue and expiring on or before 3 years from the date of their issue (**Incentive Options**) to Messrs. Steinepreis, Gasson, Cronin and de Mori (or their nominees). The Incentive Options proposed to be issued form part of the remuneration planning of the directors.

Having regard to the varied roles that Messrs. Steinepreis, Gasson, Cronin and de Mori hold in respect of the development of the Company, the Board considers that the grant of Incentive Options to Messrs. Steinepreis, Gasson, Cronin and de Mori is an appropriate form of long-term incentive-based remuneration as it provides an attractive remuneration package for the Directors to motivate and reward the performance of the Directors. In particular:

- (a) the grant of Incentive Options to the Directors will align the interests of the Directors with those of Shareholders;
- (b) the grant of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors; and
- (c) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Options upon the terms proposed.

7.2 Approval for the purposes of the ASX Listing Rules and the Corporations Act

Resolutions 6 to 9 seek Shareholder approval for the grant of Incentive Options to Messrs. Steinepreis, Gasson, Cronin and de Mori for the purposes of:

- (a) ASX Listing Rule 10.14, which broadly provides that Shareholder approval is required before a director, or an associate of a director, may acquire securities under an employee incentive scheme;
- (b) Chapter 2E of the Corporations Act, which prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the nominated exceptions or Shareholder approval is obtained prior to the giving of the financial benefit; and
- (c) Section 195(4) of the Corporations Act, details of which are set out in Section 7.2 above, given approval is being sought for the grant of incentive options to all directors pursuant to Resolutions 6 to 9. It might be argued (but it is neither conceded nor, indeed is it thought by the Board to be the case) that the four Directors comprising the Board have a material personal interest in the outcomes of Resolutions 6 to 9. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 6 to 9 at Board level. For the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Directors have exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve. This will authorise the Directors to effect the transactions and carry out related matters contemplated in this Notice of Meeting even if one or more of the Directors has a material personal interest in Resolutions 6 to 9.

Shareholder approval under ASX Listing Rule 7.1 is not required for the issue of securities that have been approved under ASX Listing Rule 10.14. Accordingly, provided that each of Resolutions 6 to 9 are approved by Shareholders, the grant of Incentive Options to Messrs. Steinepreis, Gasson, Cronin and de Mori (and any subsequent acquisition of Shares upon exercise of those Incentive Options) will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of ASX Listing Rule.

7.3 Listing Rule 10.14

For the purpose of the approval sought under ASX Listing Rule 10.14, and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of Incentive Options to Steinepreis, Gasson, Cronin and de Mori.

Taruga is proposing to issue Incentive Options to Directors of the Company as part of its remuneration planning. As the proposed issue of the Incentive Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required unless an exception applies. ASX Listing Rule 10.14 provides that unless one of the exceptions in ASX Listing Rule 10.15 applies, a listed company must not issue or agree to issue equity securities to:

- (a) 10.14.1 a director of the entity;
- (b) An associate of a person referred to in rule 10.14.1;
- (c) 10.14.3 a person whose relationship with the company or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders.

The proposed issues pursuant to Resolutions 6 to 9 fall within ASX Listing Rule 10.14.1 and does not fall within any of the exceptions in ASX Listing Rule 10.15. It therefore requires the approval of Taruga Minerals shareholders under Listing Rule 10.14.

If resolution 6 is passed, Taruga will be able to proceed with the Issue of Incentive Options to Mr Steinepreis as part of its remuneration planning, preserving the Company's cash.

If Resolution 6 is not passed, Taruga will not be able to proceed with the Issue of Incentive Options to Mr Steinepreis as part of its remuneration planning, therefore the Company may be required to increase the cash remuneration paid to directors.

If resolution 7 is passed, Taruga will be able to proceed with the Issue of Incentive Options to Mr Gasson as part of its remuneration planning, preserving the Company's cash.

If Resolution 7 is not passed, Taruga will not be able to proceed with the Issue of Incentive Options to Mr Gasson as part of its remuneration planning, therefore the Company may be required to increase the cash remuneration paid to directors.

If resolution 8 is passed, Taruga will be able to proceed with the Issue of Incentive Options to Mr Cronin as part of its remuneration planning, preserving the Company's cash.

If Resolution 8 is not passed, Taruga will not be able to proceed with the Issue of Incentive Options to Mr Cronin as part of its remuneration planning, therefore the Company may be required to increase the cash remuneration paid to directors.

If resolution 9 is passed, Taruga will be able to proceed with the Issue of Incentive Options to Mr de Mori as part of its remuneration planning, preserving the Company's cash.

If Resolution 9 is not passed, Taruga will not be able to proceed with the Issue of Incentive Options to Mr de Mori as part of its remuneration planning, therefore the Company may be required to increase the cash remuneration paid to directors.

7.4 Information required by the ASX Listing Rules

For the purpose of the approval sought under ASX Listing Rule 10.14, the following information is provided in relation to the proposed grant of Incentive Options to Messrs. Steinepreis, Gasson, Cronin and de Mori:

- (a) the Incentive Options are proposed to be issued to Directors of the Company, Messrs. Steinepreis, Gasson, Cronin and de Mori (or their nominees), each a related party of the Company, under Listing Rule 10.14.1.
- (b) the maximum number of Incentive Options that may be granted pursuant to each of the Directors pursuant to Resolutions 6 to 9 is 5,000,000 (total of 20,000,000).
- (c) the Incentive Options will be granted on the general terms and conditions set out in Annexure A of this Explanatory Statement, and on the specific terms and conditions set out in Annexure B of this Explanatory Statement. No price is payable for the grant of the Incentive Options, or on vesting of the Incentive Options, however there will be an Exercise Price to be paid by a prescribed date in order to convert the Incentive Options into new ordinary shares. The value of the Incentive Options to be issued to the Directors is set out in section 7.5 below. Options were chosen as the form of security to incentivise the directors as it minimises upfront dilution and, if all Incentive Options are exercised, will raise \$2,000,000 (based on assumptions in section 7.5(j)) through the issue of Shares at a premium to the current share price.
- (d) As at the date of this Notice of Meeting, the Company has not issued any securities under the Company's Incentive Plan to the Directors of the Company.
- (e) The remuneration of the Directors for the last two financial years is set out in section 7.5(f) below.
- (f) The Incentive Options are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice of Meeting.
- (h) No loans are being provided by the Company for the acquisition of securities under the Incentive Plan.
- (i) the Incentive Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (j) Shareholder approval under ASX Listing Rule 7.1 is not required for issues that have been approved under ASX Listing Rule 10.14. Accordingly, provided Resolutions 6 to 9 are approved by Shareholders, the grant of Incentive Options to the Directors (and any subsequent acquisition of Shares on the valid exercise of those Incentive Options) will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of ASX Listing Rule 7.1.

Details of any securities issued pursuant to the Incentive Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Incentive Plan after the resolution is approved, and who were not named in this notice of meeting, will not participate until approval is obtained.

7.5 Information required by the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various

exceptions to the general prohibition. A “related party” for the purposes of the Corporations Act is defined broadly and includes a director of the Company. “Financial Benefit” has a wide meaning and includes the issue of securities by a public company.

Given that approval is sought for grant of Incentive Options for all Directors, the Board has resolved that the Company should seek Shareholder approval pursuant to Chapter 2E of the Corporations Act.

Pursuant to, and in accordance with the requirements of Chapter 2E, and in particular section 219 of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolutions 6 to 9:

- (a) the related parties to whom a financial benefit is proposed to be given are Messrs. Steinepreis, Gasson, Cronin and de Mori (or their nominees), who are Directors of the Company.
- (b) The nature of the financial benefit proposed to be given to Messrs. Steinepreis, Gasson, Cronin and de Mori is the grant of, in aggregate, 20,000,000 Incentive Options, as follows:

Resolution	Director	Number of Incentive Options	Indicative Value
6	Gary Steinepreis	5,000,000	\$260,300
7	Mark Gasson	5,000,000	\$260,300
8	Paul Cronin	5,000,000	\$260,300
9	Eric de Mori	5,000,000	\$260,300

The Incentive Options will be granted under the Incentive Plan, on the general terms and conditions set out in Annexure A of this Explanatory Statement, and the specific terms and conditions set out in Annexure B of this Explanatory Statement. The Incentive Options have an assumed exercise price of \$0.10 per Share (for the purposes of the valuation) and an expiry date of 3 years from the date of their issue as set out in the table below:

Director	Number of Incentive Options	Exercise Price (cents)	Vesting Conditions	Expiry Date
Gary Steinepreis	5,000,000	A 45% premium to the 5-day VWAP prior to the date of issue	50% vest 6 months after issue, 50% after 12 months	3 years from issue
Mark Gasson	5,000,000	A 45% premium to the 5-day VWAP prior to the date of issue	50% vest 6 months after issue, 50% after 12 months	3 years from issue
Paul Cronin	5,000,000	A 45% premium to the 5-day VWAP prior to the date of issue	50% vest 6 months after issue, 50% after 12 months	3 years from issue
Eric de Mori	5,000,000	A 45% premium to the 5-day VWAP prior to the date of issue	50% vest 6 months after issue, 50% after 12 months	3 years from issue

- (c) No funds will be raised from the grant of the Incentive Options. If all Incentive Options proposed to be issued pursuant to Resolutions 6 to 9 are exercised, based on the assumptions in section 7.5(j) an amount of \$2,000,000 will be raised and used to provide additional working capital for the Company.
- (d) Reasons for giving the benefit:

As the Incentive Options are a performance-based incentive, they will have incentive to ensure that the market price of the Company's Shares increases to create value in the Incentive Options and this will benefit all Shareholders. The issue of Incentive Options is a non-cash form of remuneration, thus conserving the Company's liquid funds. The exercise of the Incentive Options will provide additional working capital for the Company at no significant cost. If all of the Incentive Options proposed to be issued pursuant to Resolutions 6 to 9 are exercised, an amount of \$2,000,000 would be raised.

(e) Each of the directors have any interest in the outcome of Resolutions 6 to 9 and will be issued with the Incentive Options set out above if the Resolutions are passed.

(f) Directors' remuneration packages are as follows:

Director	2020/2021 Financial Year ⁵	2019/2020 Financial Year
Gary Steinepreis	\$308,300	\$24,000
Mark Gasson	\$308,300	\$27,500
Paul Cronin	\$308,300	Nil
Eric de Mori	\$308,300	Nil

1. Gary Steinepreis was appointed a Non-executive Director on 15 July 2016.
2. Mark Gasson was appointed a Non-executive Director on 28 February 2018.
3. Paul Cronin was appointed a Non-executive Director on 26 July 2020.
4. Eric de Mori was appointed a Non-executive Director on 26 July 2020.
5. Figures include the indicative value of the Incentive Options in section 7.5(b)

(g) The securities currently held by Messrs. Steinepreis, Gasson, Cronin and de Mori and those that may be issued subject to Shareholder approval at the Meeting are set out in the table below:

Director	Existing Shares	Existing Options	New Incentive Options (subject to shareholder approval under Resolutions 6 to 9)
Gary Steinepreis	10,305,004	Nil	5,000,000
Mark Gasson	17,000,000	Nil	5,000,000
Paul Cronin	2,500,000	4,000,000	5,000,000
Eric de Mori	19,589,400	8,000,000	5,000,000

(h) The dilution effect on Shareholders, if all Incentive Options the subject of Resolutions 6 to 9 are exercised, and no other options are exercised and no other Shares are issued, will be 4.2% as set out below.

	Shares (ASX:TAR)
Shares currently on issue	457,201,506
Resolution 6 - Incentive Options to be granted to Gary Steinepreis	5,000,000
Resolution 7 - Incentive Options to be granted to Mark Gasson	5,000,000
Resolution 8 - Incentive Options to be granted to Paul Cronin	5,000,000
Resolution 9 - Incentive Options to be granted to Eric de Mori	5,000,000

Expanded Capital if all Director Options proposed in this Notice of Meeting are exercised	477,201,506
Dilutionary effect of the Incentive Options to Directors	4.2%

- (i) In the 12 months prior to the date of this Notice of Meeting, the highest, lowest and latest practicable trading price (as at 22 October 2020) of the Shares on ASX are as set out below:

	Shares (ASX:TAR)
Highest (11 September 2020)	\$0.085
Lowest (multiple dates)	\$0.007
Latest (26 October 2020)	\$0.056

- (j) The value of the financial benefit to be provided to Messrs. Steinepreis, Gasson, Cronin and de Mori is set out in the table below.

These values have been calculated by internal management using a Black Scholes option pricing model for the Incentive Options.

The Company made the following assumptions under the model:

- the Incentive Options don't have market vesting conditions attached and the exercise of the Incentive Options does not affect the value of the underlying asset;
- a grant date of 7 October 2020 which was also adopted as the valuation date;
- it used \$0.07, being the underlying share price on the valuation date, which was input into the pricing model;
- an assumed exercise price of \$0.10, being a 45% premium to the underlying share price (rounded down);
- a share price volatility of 143% based on the historical volatility of the Company's ASX listed share price;
- the risk free rate of interest used in the 5 year Australian Government Bond yield of 0.25%; and
- a dividend yield of 0%.

Director	Number of Incentive Options	Indicative Value
Gary Steinepreis	5,000,000	\$260,300
Mark Gasson	5,000,000	\$260,300
Paul Cronin	5,000,000	\$260,300
Eric de Mori	5,000,000	\$260,300

- (k) Directors' recommendation and basis of recommendation:

The Directors refrain from making a recommendation in relation to Resolutions 6 to 9 as they have a personal interest in the Resolutions.

(l) Other information

There are no material opportunity costs to the Company, no taxation consequences to the Company and no material benefits foregone by the Company in granting the Incentive Options to Messrs. Steinepreis, Gasson, Cronin and de Mori.

The Directors are not aware of any information, other than the information set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolutions 6 to 9.

8. Resolutions 10 & 11 – Ratification of Prior Issue of Shares

8.1 Background

The Company announced on 2 September 2020 that it had received firm commitments for a capital raising of \$4,000,000 by way of the placement of 66,666,667 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of 6 cents per Share to a mixture of new and existing professional and sophisticated investors introduced by the Company's brokers, Foster Stockbroking Pty Ltd and Ashanti Capital Pty Ltd (**Placement**). The Placement, which was completed on 10 September 2020, consisted of 27,613,184 shares issued pursuant to the Company's ASX Listing Rule 7.1 Capacity and 39,053,483 pursuant to the Company's Listing Rule 7.1A Capacity.

8.2 Resolution 10 – ASX listing rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.3 Resolution 11 – ASX listing rule 7.1A

ASX Listing Rule 7.1A provides that an "Eligible Entity" may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting. This extra 10% capacity is in addition of the Company's 15% capacity under ASX Listing Rule 7.1. The Company confirms that it is an "Eligible Entity" and that it obtained approval from Shareholders at its

last annual general meeting for this placement capacity in accordance with the ASX Listing Rules.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 10% annual placement capacity as set out in ASX Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

8.4 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification:

- (a) 66,666,667 Shares were issued on the following basis:
 - (i) 27,613,184 shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 39,053,483 shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price of the Shares issued pursuant to the Placement was \$0.06 per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to certain professional and sophisticated investors introduced by the Company's brokers, Foster Stockbroking Pty Ltd and Ashanti Capital Pty Ltd, none of whom are related parties of the Company;
- (e) the Shares were issued on 10 September 2020; and
- (f) the Company intends to use funds raised pursuant to the Placement as follows:
 - (i) towards ongoing exploration activities at the Flinders and Torrens IOCG projects in South Australia, including an upcoming drilling program;
 - (ii) due-diligence costs as part of the Strikeline Resources acquisition; and
 - (iii) for general working capital purposes.

If resolution 10 is passed, the Issue will be excluded in calculating Taruga's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If resolution 10 is not passed, the Issue will be included in calculating Taruga's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If resolution 11 is passed, the Issue will be excluded in calculating Taruga's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If resolution 11 is not passed, the Issue will be included in calculating Taruga's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolutions 10 and 11.

9. Resolution 12 – Approval of 10% Placement Facility

9.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements in the 12 month period after an annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

Resolution 12 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) below).

The Company may use the 10% Placement Facility to fund ongoing development.

The Directors of the Company believe Resolution 12 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

9.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX: TAR).

(c) Formula for calculating 10% Placement Facility

In addition to issues under Listing Rule 7.1, an eligible entity which has obtained shareholder approval of this Listing Rule 7.1A may, during the period of the approval, issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

where:

A = has the same meaning as in Listing Rule 7.1;

D = 10%;

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the Company's Shareholders under Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.4

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

At the date of this Notice, the Company has on issue 457,201,506 Shares and therefore has a capacity to issue:

- (i) 68,580,225 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 12, 45,720,150 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) Minimum Issue Price

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for a cash consideration per

security which is not less than 75% of the volume weighted average price (VWAP) 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 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 paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

If approved, approval under this Listing Rule 7.1A commences on the date of the Company's Annual General Meeting and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the time and date of the Company's next Annual General Meeting; or
- (iii) the time and date of the approval by the Company's Shareholders of a transaction under Listing Rules 11.1.2 or 11.2.

(10% Placement Period).

9.3 Listing Rule 7.1A

The effect of Resolution 12 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 12 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

9.4 Specific information required by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 12 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). 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 of the date of the Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or issued for non-cash consideration for the acquisition of a new asset,

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

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% (rounded up) and increased by 100% as against the current market price.

Dilution example

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.035 50% decrease in Issue Price	\$0.07 Current Issue Price	\$0.14 50% increase in Issue Price
457,201,506 (Current)	10% voting dilution	45,720,150 Shares	45,720,150 Shares	45,720,150 Shares
	Funds raised	\$1,600,205.25	\$3,200,410.50	\$6,400,821.00
685,802,259 (50% increase)	10% voting dilution	68,580,225 Shares	68,580,225 Shares	68,580,225 Shares
	Funds raised	\$2,400,307.88	\$4,800,615.75	\$9,601,231.50
914,403,012 (100% increase)	10% voting dilution	91,440,301 Shares	91,440,301 Shares	91,440,301 Shares
	Funds raised	\$3,200,410.54	\$6,400,821.07	\$12,801,642.14

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) No Options (including any listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) 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 at 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.07, being the closing price of the Shares on ASX on 7 October 2020.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 12 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) continued exploration expenditure on the Company's current assets;
 - (ii) acquisition of new assets or investments (including any expenses associated with such acquisition); and
 - (iii) general working capital.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (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).

The allottees under the 10% Placement Facility have not been determined as at the date of Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its 2019 annual general meeting. During the year the Company issued 39,053,483 ordinary shares pursuant to that Listing Rule 7.1A approval
- (f) During the 12 month period preceding 30 November 2020, being the date of the Meeting, the Company issued a total of 71,506,966 ordinary shares pursuant to Listing Rule 7.1A, representing approximately 44% of the total number of Equity Securities on issue at the commencement of that 12 month period.
- (g) Information relating to issues of Equity Securities by the Company in the 12 months prior to 30 November 2020 is as follows:

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to the closing market price on the trading day prior to the issue	The total consideration, what it was spent on and the intended use of any remaining funds
27 December 2019	61,976,664	Fully paid ordinary shares	Shortfall shares under Entitlement Offer.	\$0.01 per share.	\$619,767. General working capital.

19 May 2020	60,000,000	Fully paid ordinary shares	New and existing professional and sophisticated investors	\$0.01 per share. 10% discount to last trading price.	\$600,000. Funds raised used towards due diligence costs and general working capital.
10 September 2020	66,666,667	Fully paid ordinary shares	New and existing professional and sophisticated investors	\$0.06 per share. 7.7% discount to last trading price.	\$4,000,000. utilised towards ongoing exploration activities in South Australia, due-diligence costs as part of the Strikeline Resources acquisition and for general working capital.

The Company's cash balance on 11 November 2019 was approximately \$1.5m. The Company's cash balance as at 7 October 2020 is \$5.2 million.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

- (h) If Resolution 12 is not passed, the Company will be limited to the 15% placement capacity under the ASX Listing Rules.

Definitions

In this Notice and the Explanatory Memorandum:

10% Placement Facility has the meaning given in Section 9 of the Explanatory Memorandum.

\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2020.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

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

Award means a right to acquire Shares under the Incentive Plan, and includes an Option and a Performance Right.

Board means the board of Directors.

Business Day has the meaning contained in the Listing Rules.

Chair or **Chairman** means the person appointed to chair the Meeting conveyed by this Notice.

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

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

Company means Taruga Minerals Limited.

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

Director means the current directors of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Security has the meaning given in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

Incentive Option means an option to acquire a Share on the terms and conditions set out in Annexure B.

Incentive Plan means the Taruga Minerals Limited Incentive Plan, a summary of which is set out in Annexure A.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting or Annual General Meeting means the meeting convened by this Notice (as adjourned from time to time).

Notice or Notice of Annual General Meeting means this notice of annual general meeting.

Option means an option to acquire a Share

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning given in the Listing Rules.7.2

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

Resolution means a resolution contained in the Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

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

Valuation Date means 7 October 2020.

Variable A means "A" as set out in the calculation in section 9.2 of the Explanatory Statement.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

VWAP means the volume weighted average price of trades in the Company's Shares on ASX.

Annexure A: Summary of terms of the Incentive Plan

The terms and conditions of the Incentive Plan are summarised below:

1. Board

The Board, or a duly appointed committee of the Board, is responsible for the operation of the Incentive Plan.

2. Participants

Directors, full-time, part-time and casual employees, and contractors of the Group are all eligible to participate in the Incentive Plan.

3. Eligibility

The Board has an absolute discretion to determine the eligibility of participants. Some of the factors the Board will have regard to in determining eligibility include:

- (a) the seniority of the participant and the position that the participant occupies within the Group;
- (b) the length of service of the participant with the Group;
- (c) the record of employment of the participant with the Group;
- (d) the potential contribution of the participant to the growth and profitability of the Group;
- (e) the extent (if any) of the existing participation of the participant in the Incentive Plan; and
- (f) any other matters the Board considers relevant.

4. Invitations and Awards

The Board may, in its absolute discretion, invite eligible participants to participate in the Incentive Plan. An invitation may be made on such terms and conditions as the Board decides from time to time, including as to the terms of the Award offered and whether the Award comprises Performance Rights and/or Options.

5. Number of Performance Rights and/or Options

- (a) The Board has a discretion to determine the number of Performance Rights and/or Options granted to participants under an Award, however in accordance with applicable law, the Board will ensure that the number of Performance Rights and/or Options offered to eligible participants over a three-year period does not exceed 5% of the Company's issued capital. The 5% maximum issue will not exceed the 50,000,000 Equity Securities.
- (b) Further, in determining the number of Performance Rights and/or Options to be granted to participants, the Board will have regard to:
 - (i) current market practice; and
 - (ii) the overall cost to the Company of grants under the Incentive Plan.

6. No payment on grant or vesting

Unless the Board determines otherwise, no payment is required for the grant, on the vesting, or the issue, transfer or allocation of Shares following vesting of a Performance Right or Option.

7. Vesting conditions

Vesting of an Award may be conditional on the participant satisfying the pre-determined vesting conditions determined by the Board within the vesting period. The vesting period applicable to the Performance Rights or Options is the period determined by the Board.

8. Vesting of Award

The Award will only vest if the participant meets any specified vesting conditions within the vesting period. If the terms of grant require the Award to be exercised, the participant must exercise the Award in order for vesting to occur. Any Award which has not vested within the vesting period will lapse.

9. Entitlements under Awards

Prior to vesting and exercise (if required) of an Award, and the issue of Shares to the participant in accordance with the rules of the Incentive Plan, a participant is not entitled to exercise any votes in respect of the Shares to which the Award relates, nor is the holder entitled to participate in any dividend or any new issue of securities by the Company in respect of that Award.

10. Issue, transfer or allocation of Shares on vesting of Award

The Shares to be provided on vesting and exercise (if required) of the Award may be issued by the Company or acquired on market by the Company (or any trustee of the Incentive Plan) and transferred or allocated to the holder of the Performance Right. Any Shares issued under the Incentive Plan will rank equally with those traded on the ASX at the time of issue. The Board may impose restrictions on the transferability of a Share issued, transferred or allocated to a participant following vesting of a Performance Right, which shall be set out in the terms of invitation.

11. Cessation of eligibility

- (a) Where a participant ceases to be eligible to participate in the Incentive Plan, the Board may determine that some or all of the participant's Award lapses, vests, is exercisable for a prescribed period (if applicable), or is no longer subject to some or all applicable restrictions.
- (b) The Board may specify in an invitation how a participant's Award will be treated in the event that the participant ceases to be eligible to participate in the Incentive Plan which may vary depending upon the circumstances in which the participant ceases to be eligible.

12. Change of control

- (a) On a change of control event (which includes a takeover, merger or any person acquiring a relevant interest in more than 50% of the issued share capital in the Company and other similar events) the Board may, in its discretion, determine the manner in which any or all of a participant's Awards may be dealt with including in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (b) The Board may specify in an invitation how a participant's Award will be treated on a change of control event which may vary depending upon the circumstances of the change of control event.

13. Capital reorganisation

In the event of any capital reorganisation prior to vesting and exercise (if required) of an Award, the Award may be adjusted having regard to the ASX Listing Rules.

14. Clawback provision

The Board may determine that any unvested Award and vested but unexercised Award (if exercise is required) will lapse if, in the Board's opinion, among other things:

- (a) the participant has acted fraudulently or dishonestly, engaged in gross misconduct, breached his or her duties or obligations (including where the participant's Award vests as a result of such conduct and the Board forms the opinion that the Award would not have otherwise vested); or
- (b) there is a material misstatement or omission in the financial statements of a Group company.

Annexure B: Summary of terms of the Incentive Options

The key terms and conditions of the Incentive Options to be granted to the Directors (each an **Optionholder**) are summarised below:

- (a) Each Incentive Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Incentive Option, the Optionholder must exercise the Incentive Options in accordance with the terms and conditions of the Incentive Options.
- (b) The Incentive Options will expire at 5.00 p.m. (WST) on the date that is 36 months from their date of issue (**Expiry Date**). Any Incentive Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Incentive Options are subject to the following vesting conditions (**Vesting Conditions**):
 - (i) 50% of the Incentive Options vest 6 months after issue; and
 - (ii) The remaining 50% vest 12 months after issue.
- (d) Subject to the vesting conditions in (c), the Incentive Options can be exercised on or before 3 years from the date of issue at a 45% premium to the 5-day VWAP prior to the date of issue (**Exercise Price**):
- (e) The Incentive Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (f) An Optionholder may exercise their Incentive Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Incentive Options specifying the number of Incentive Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Incentive Options being exercised;

(**Exercise Notice**).
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required in respect of the number of Incentive Options specified in the Exercise Notice.
- (i) All Shares issued upon the exercise of Incentive Options will upon issue rank *pari passu* in all respects with other Shares in issue.
- (j) The Company will not apply for quotation of any Incentive Options.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and any applicable listing rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Incentive Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the exercise period of the Incentive Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be in accordance with all applicable listing rules. This will give Optionholders the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.

(m) An Incentive Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Incentive Option can be exercised.

(n) Cashless exercise

In lieu of paying the aggregate Exercise Price under (d), an Optionholder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Incentive Options to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$A = [B \times (C - D)] / C$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder pursuant to this paragraph (n);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Incentive Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

For the purposes of this paragraph (n), Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date

PROXY FORM

The Secretary
Taruga Minerals Limited

By delivery:
Level 8, 99 St Georges Terrace,
Perth WA 6000

By post:
PO Box 5638, St Georges Tce, Perth
WA 6831

By facsimile:

+61 8 9486 4799

**Name of
Shareholder ¹:**

**Address of
Shareholder:**

**Number of Shares
entitled to vote:**

Please mark ☒ to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 – Appoint a Proxy to Vote on Your Behalf

**The Chairman of
the Meeting (mark
box)**

☐

OR if you are **NOT** appointing the
Chairman of the meeting as your proxy,
please write the name of the person or
body corporate (excluding the registered
shareholder) you are appointing as your
proxy ²

or failing the person/body corporate named, or if no person/body is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at Ascent Capital, Level 1, 33 Ord Street, West Perth WA 6005 on Monday, 30 November 2020 at 3.00pm WST.

Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, and 6 to 9 (inclusive), even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

Step 2 – Instruction as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Gary Steinepreis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Eric de Mori	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Paul Cronin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval of Taruga Minerals Limited Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Incentive Options to directors – Gary Steinepreis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Incentive Options to directors – Mark Gasson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Issue of Incentive Options to directors – Paul Cronin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Issue of Incentive Options to directors – Eric de Mori	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Ratification of Prior Issue – LR7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Ratification of Prior Issue – LR7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12 – Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all undirected proxies in favour of each Resolution. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made immediately disclosing the reasons for the change in voting intentions.

Authorised signature/s

This section must be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

*if you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

<p>Individual or Shareholder 1</p> <div style="border: 1px solid black; height: 40px; width: 260px; margin: 5px 0;"></div> <p>Sole Director and Sole Company Secretary</p> <div style="border: 1px solid black; height: 20px; width: 260px; margin: 5px 0;"></div> <p>Contact Name</p>	<p>Shareholder 2</p> <div style="border: 1px solid black; height: 40px; width: 230px; margin: 5px 0;"></div> <p>Director</p> <div style="border: 1px solid black; height: 20px; width: 230px; margin: 5px 0;"></div> <p>Contact Daytime Telephone</p>	<p>Shareholder 3</p> <div style="border: 1px solid black; height: 40px; width: 240px; margin: 5px 0;"></div> <p>Director/Company Secretary</p> <div style="border: 1px solid black; height: 20px; width: 240px; margin: 5px 0;"></div> <p>Date</p>
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¹Insert name and address of Shareholder ²Insert name and address of proxy

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting and vote on a poll. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate or Appointment of Representative prior admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy, of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicated the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at the office of the Company at **PO Box 5638, St Georges Tce, Perth WA 6831**, by email to **dan.smith@minervacorporate.com.au** or Facsimile **+61 8 9486 4799** not less than 48 hours prior to the time of commencement of the Meeting.