

21 December 2020

Dear Shareholder

**IMPORTANT INFORMATION REGARDING SHAREHOLDER VOTING AND NEW ENERGY MINERALS LIMITED (ASX:NXE) 2020 ANNUAL GENERAL MEETING**

You are invited to attend the 2020 Annual General Meeting (AGM) of New Energy Minerals Limited (“**New Energy**” or the “**Company**”), which will take place at 11.00am (WST), Thursday 28 January 2021 at the offices of HLB Mann Judd, Main Board Room, Level 4, 130 Stirling Street, Perth, Western Australia.

The Company is closely monitoring the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments. At this stage the Directors have made the decision that physical meeting will be held. Accordingly, Shareholders will be able to attend the Meeting in person.

In accordance with temporary modifications to the Corporations Act 2001 (Cth) under the Corporations (Coronavirus Economic Response) Determination (No 3) 2020, the Company will not be sending hard copies for the Notice of Meeting to Shareholders. The Notice for the Meeting can be viewed and downloaded at the Company’s website at [www.newenergyminerals.com.au](http://www.newenergyminerals.com.au)

Alternatively, a complete copy of the important Meeting document has been posted on the Company’s ASX market announcements page (**ASX:NXE**).

As you have not elected to receive notice by email, we enclose copies of the required Proxy Form for your convenience. Shareholders are encouraged to submit their proxy vote in accordance with the instructions on the Proxy Form.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting. Your proxy voting instruction must be received by no later than 11.00am (WST) on Tuesday 26 January 2021, being not less than 48 hours before the commencement of the Meeting. Full instructions on how to submit your proxy form are set out in the Notice. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your adviser. If you have any difficulties obtaining a copy of the Notice please contact the Company’s share registry, Computershare Investor Services Pty Limited on, 1300 850 505 (within Australia) or +61 (3) 9415 4000 (overseas).

The Australian government and the respective State governments are implementing a wide range of measures to contain or delay the spread of COVID-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company’s Notice of Meeting, the Company will notify Shareholders accordingly via the Company’s website at [www.newenergyminerals.com.au](http://www.newenergyminerals.com.au) and the Company’s ASX Announcement Platform at [asx.com.au](http://asx.com.au) (**ASX:NXE**).

We look forward to and urge your participation at the AGM in the manner outlined above and thank you for your continued support.

This announcement has been authorised for market release by the Board of the Company.

Yours faithfully



**Ian Daymond**  
Chairman

**NEW ENERGY MINERALS LIMITED**

Level 1, 9 Bowman Street, South Perth WA 6151 Australia

Registered Office: PO Box 840, South Perth WA 6951

Perth Telephone: +61 (0) 8 9217 2400

ACN: 090 047 785

---

**NEW ENERGY MINERALS LIMITED****ACN 090 074 785****NOTICE OF ANNUAL GENERAL MEETING**

---

Notice is given that the Meeting will be held at:

**TIME:** 11.00am (WST)

**DATE:** Thursday, 28 January 2021

**PLACE:** HLB Mann Judd  
Main Board Room  
Level 4  
130 Stirling Street  
Perth, Western Australia

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

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

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00am (WST) on 26 January 2021.***

---

## BUSINESS OF THE 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 Director's report, the Remuneration Report and the auditor's report.

---

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

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

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

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

A voting prohibition statement applies to this Resolution. Please see below.

---

#### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – BERNARD OLIVIER

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

*“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Dr Bernard Olivier, a Director who was appointed casually as a Director on 18 November 2020, retires, and being eligible, is elected as a Director.”*

---

#### 4. RESOLUTION 3 – ELECTION OF DIRECTOR – EVAN KIRBY

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

*“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Dr Evan Kirby, a Director who was appointed casually as a Director on 18 November 2020, retires, and being eligible, is elected as a Director.”*

---

#### 5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – IAN DAYMOND

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

*“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Ian Daymond, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

---

**6. RESOLUTION 5 – RE-APPROVAL OF EMPLOYEE INCENTIVE PLAN**

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

*“That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to re-approve its existing employee incentive scheme titled “NXE Long Term Incentive Plan” and for the issue of securities under that plan, on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

---

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

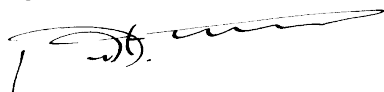
To consider and, if thought fit, to pass the following resolution as a **special resolution**:

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

---

**Dated: 21 December 2020**

**By order of the Board**



**Mr Robert Marusco  
Company Secretary**

## Voting Prohibition Statements

<b>Resolution 1 – Adoption of Remuneration Report</b>	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. However, a person (the <b>voter</b> ) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
<b>Resolution 5 – Re-Approval of Employee Incentive Plan</b>	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolution 5 – Re-Approval of Employee Incentive Plan</b>	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
--------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------

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

- (a) a person as a 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.

## Venue

---

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00am on Thursday, 28 January 2021 at the offices of HLB Mann Judd, Main Board Room, Level 4, 130 Stirling Street, Perth, Western Australia.

## Voting by proxy

---

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

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

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

Shareholders and their proxies should be aware that:

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

## Voting in person

---

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9217 2400.***

---

## EXPLANATORY STATEMENT

---

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

---

### 1. FINANCIAL STATEMENTS AND REPORTS

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

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

---

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

#### 2.1 General

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

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

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

#### 2.2 Voting consequences

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

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

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

### **2.3 Previous voting results**

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

---

## **3. RESOLUTION 2 –ELECTION OF DIRECTOR – BERNARD OLIVIER**

### **3.1 General**

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

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

Dr Bernard Olivier, having been appointed by other Directors on 18 November 2020 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

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

Dr Olivier is a qualified geologist and has been involved with the mining and exploration industry for the past 22 years. He has over 13 years' experience as a public company director of ASX-listed and AIM-quoted mining and exploration companies and is currently an executive director of Richland Resources Ltd (AIM:RLD).

Dr Olivier was previously the CEO of Tanzanite One Limited and was credited with restructuring and returning the group to profitability in 2010. He also led the team which established a maiden JORC Resource estimate of 3.9 million gold ounces for Bezant Resources plc's Mankayan project and achieved an 8 pence per share return of capital to its shareholders. He is a dual Australian and South African national and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM).

Dr Olivier is based in George, South Africa and served as Managing Director of the Company from January 2018 until 12 June 2019. Subsequently, he has been providing consulting services to Auspicious Virtue Investment Holdings ("Auspicious") prior to its purchase and following the completion of its purchase of the Balama Graphite/Vanadium Project in Mozambique in July 2020.

### **3.3 Independence**

Dr Olivier has been nominated to the Board by the Company's largest shareholder, UBezTT International Investment Holdings Ltd.

Dr Olivier is not considered an independent director.



### **3.4 Board recommendation**

The Board supports the election of Dr Oliver and recommends that Shareholders vote in favour of Resolution 2.

---

## **4. RESOLUTION 3 – ELECTION OF DIRECTOR – EVAN KIRBY**

### **4.1 General**

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

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

Dr Evan Kirby, having been appointed by other Directors on 18 November 2020 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

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

Dr Kirby, who is a metallurgist with more than 40 years' experience, brings a wealth of corporate and technical expertise to New Energy. He has held leading roles in numerous metals and minerals projects, including several world-class developments.

Dr Kirby worked for 16 years in South Africa with Impala Platinum, Rand Mines and then Rustenburg Platinum Mines. In 1992, he moved to Australia and was employed by Minproc Engineers and then Bechtel Corporation, where he had management and technical responsibilities. In 2002, Evan established his own Australian-based consulting business, Metallurgical Management Services. He has worked as a consultant to Australian and international companies and has been a director of several ASX and AIM-listed mining companies.

Dr Kirby is based in Perth Western Australia and was previously a non-executive director of (and consultant to) the Company from March 2018 until 12 June 2019. Dr Kirby has been subsequently providing consulting services to Auspicious, prior to its purchase and following the completion of its purchase of the Balama Graphite/Vanadium Project in Mozambique in July 2020.

### **4.3 Independence**

Dr Kirby has been nominated to the Board by the Company's largest shareholder, UBezIT International Investment Holdings Ltd.

Dr Kirby is not considered an independent director.

### **4.4 Board recommendation**

The Board supports the election of Dr Kirby and recommends that Shareholders vote in favour of Resolution 3.

---

## **5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – IAN DAYMOND**

### **5.1 General**

Pursuant to clause 14.2 of the Constitution, at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office.

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

Ian Daymond, who has served as a Director since 30 July 2014 and was last re-elected on 12 November 2019, retires by rotation and seeks re-election.

### **5.2 Qualifications and other material directorships**

Mr Daymond practised as a solicitor for more than 41 years as an external or in-house lawyer and as a consultant in the mining and resources area. He was General Counsel and Company Secretary of Delta Gold Ltd for over 11 years which saw the company grow from a small gold explorer into one of the largest gold producers in Australia with significant platinum and gold mining interests in southern Africa. Mr Daymond has significant independent director experience, having served as a non-executive director of International Base Metals Ltd with substantial copper interests in Namibia and is the former chairman of Eldore Mining Corporation Ltd (ASX: EDM), ActivEX Ltd (ASX: AIV) and Copper Range Ltd (ASX: CRJ) and a former non-executive director of Hill End Gold Ltd. Mr Daymond was the national chairman of the Australia-Southern Africa Business Council from 2002 to 2005 and has substantial business, legal and corporate government experience. He has experience in precious, base metals and diamond projects, not only in Australia but also in southern Africa for more than 25 years. He has been the Honorary Consul for the Republic of Botswana in NSW since May 2007.

During the last three years, Mr Daymond has not served as a director of any other listed company but holds several private company directorships.

### **5.3 Independence**

If re-elected the Board considers Mr Daymond will be an independent Director.

### **5.4 Board recommendation**

The Board supports the re-election of Ian Daymond and recommends that Shareholders vote in favour of Resolution 4.

---

## **6. RESOLUTION 5 – RE-APPROVAL OF EMPLOYEE INCENTIVE PLAN**

### **6.1 General**

Resolution 5 seeks Shareholder approval for the re-approval of the employee incentive scheme previously titled "Mustang Long Term Incentive Plan" and now titled "NXE Long Term Incentive Plan" (**NXE Plan**) and for the issue of equity securities under the NXE Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the NXE Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the NXE Plan and the future issue of equity securities under the NXE 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, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.]

Listing Rule 7.2 (Exception 13(b)) provides that 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 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 shareholders in respect of the meeting at which shareholder approval was obtained pursuant to 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 the notice of meeting.

If Resolution 5 is passed, the Company will be able to issue equity securities under the NXE Plan to eligible participants over a period of 3 years. The issue of any equity securities to eligible participants under the NXE Plan (up to the maximum number of equity securities 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 Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of equity securities under the NXE Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 5 is not passed, the Company will be able to proceed with the issue of equity securities under the NXE Plan to eligible participants, but any issues of equity securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the equity securities.

## **6.2 Technical information required by Listing Rule 7.2 (Exception 13)**

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 5:

- (a) a summary of the key terms and conditions of the NXE Plan is set out in Schedule 1 ;
- (b) the Company has issued 1,500,000 Shares, 5,450,000 Options and 16,500,000 Performance Rights, under the NXE Plan since the NXE Plan was last approved by Shareholders on 24 November 2017; and
- (c) the maximum number of Securities proposed to be issued under the NXE Plan, following Shareholder approval, is 25,000,000 equity securities. It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.

---

## **7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE**

### **7.1 General**

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

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

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

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$4,980,734 (based on the number of Shares on issue and the closing price of Shares on the ASX on 22 October 2020 and excluding any restricted securities that may be on issue).

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### **7.2 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

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

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

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

#### **(b) Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 7.2(b)(i), the date on which the Equity Securities are issued.

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the identification and acquisition of new projects, exploration costs and general working capital.

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

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

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 8 December 2020.

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

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution			
			Issue Price			
			\$0.014	\$0.027	\$0.04	
			50% decrease	Issue Price	50% increase	
				Funds Raised		
<b>Current</b>	184,471,621 Shares	18,447,162 Shares	\$249,036	\$498,073	\$747,110	
<b>50% increase</b>	276,707,432 Shares	27,670,743 Shares	\$373,555	\$747,110	\$1,120,665	
<b>100% increase</b>	368,943,242 Shares	36,894,324 Shares	\$498,073	\$996,146	\$1,494,220	

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

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

1. There are currently 184,471,621 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 22 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

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

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

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

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

- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

The Company did not obtain approval under Listing Rule 7.1A at its annual general meeting held on 12 November 2019. Accordingly, the Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the twelve months preceding the date of the Meeting.

### **7.3 Voting Exclusion Statement**

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

---

## GLOSSARY

---

**\$** means Australian dollars.

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

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

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

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

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

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

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

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

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

**Company** means New Energy Minerals Limited (ACN 090 074 785).

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

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

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

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

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

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



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

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

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

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

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

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

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

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

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

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

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

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

## SCHEDULE 1 – TERMS AND CONDITIONS OF NXE LONG TERM INCENTIVE PLAN

Item	Summary
Eligibility	Offers may be made at the discretion of the Board to employees of the Company or any other person that the Board determines to be eligible to receive a grant under the NXE Plan.
Types of securities	<p>The NXE Plan rules provide flexibility for the Company to grant one or more of the following securities as incentives, subject to the terms of individual offers:</p> <ul style="list-style-type: none"> <li>(a) options;</li> <li>(b) performance rights; or</li> <li>(c) performance shares.</li> </ul> <p>Options are straightforward, they are an entitlement for the holder to receive a share on satisfaction of relevant vesting conditions, by paying an applicable exercise price. Typically, the vesting conditions for an option plan are limited to time based hurdles.</p> <p>A performance right is effectively a zero-priced option that vests subject to the satisfaction of relevant vesting conditions. The vesting conditions are typically a combination of time and performance-based milestones. The Board has discretion to determine the vesting conditions (and particularly any performance-based hurdles such as TSR metrics) for each individual grant.</p> <p>Performance Shares are not dissimilar to performance rights, although the share is issued up-front (for nil consideration) and is subject to buy-back/forfeiture arrangements should the relevant vesting conditions (including performance base metrics) not be met.</p>
Offers under the NXE Plan	<p>Unless otherwise specified in an offer document, the Board has the discretion to settle performance rights or options with a cash equivalent payment.</p> <p>The Board may make offers at its discretion and any offer documents must contain the information required by the NXE Plan rules.</p> <p>The Board has the discretion to set the terms and conditions on which it will offer options, performance rights and performance shares in individual offer documents.</p>
Issue price	Unless the Board determines otherwise, no payment is required for a grant (as opposed to exercise) of an option, performance right or performance share under the NXE Plan.
Vesting	<p>Options must be exercised by the employee and the employee is required to pay the exercise price to be allocated Shares.</p> <p>Vesting of options, performance rights and performance shares under the NXE Plan is subject to any vesting or</p>

Item	Summary
	performance conditions determined by the Board and specified in the offer document.
Lapsing and forfeiture	Subject to the rules of this plan ( <b>Rules</b> ) and the terms of the specific offer document, any option, performance rights or performance shares will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.
Cessation of employment	Under the Rules, the Board has a broad discretion in relation to the treatment of entitlements on cessation of employment. It is proposed that individual offer documents will provide more specific detail on how the entitlements will be treated if the participating employee ceases employment.
Clawback and preventing inappropriate benefits	The Rules provide the Board with customary "clawback" powers if, amongst other things, the participant has acted fraudulently or dishonestly, engaged in gross misconduct or if the participant's entitlements vest as a result of the fraud, dishonesty or breach of obligations of any other person and the Board is of the opinion that the incentives would not have otherwise vested.
Change of Control	The Board may determine that all or a specified number of a participant's options, performance rights or performance shares will vest or cease to be subject to restrictions where there is a change of control event in accordance with the Rules. It is intended that individual offer documents will provide more specific information on how the entitlements will be treated on a change of control.