

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (Meeting) of Shareholders of Minbos Resources Limited (ACN 141 175 493) (Company) will be held at Steinepreis Paganin Boardroom, Level 4, The Read Buildings, 16 Milligan Street, PERTH, WA 6000 at 3.00 pm (WST) on 7 April 2021.

In accordance with subsection 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No.1) 2020, the Company will not be dispatching physical copies of the Notice of Meeting (Notice). Instead, a copy of the Notice is available at <https://minbos.com/investors/asx-announcements/>.

Circumstances relating to COVID-19 are changing rapidly. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at <https://minbos.com/investors/asx-announcements/>.

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 financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice, please contact the Company.

This has been approved by the Chairman of Minbos Resources Limited.

MINBOS RESOURCES LIMITED
ACN 141 175 493
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3:00 pm (WST)
DATE: 7 April 2021
PLACE: Level 4, The Read Buildings,
16 Milligan Street,
PERTH WA 6000

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 3.00pm on 5 April 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PLACEMENT SHARES – LISTING RULE 7.1

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 7.4 and for all other purposes, Shareholders ratify the issue of 52,948,684 Placement Shares on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – RATIFICATION OF PLACEMENT SHARES – LISTING RULE 7.1A

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 7.4 and for all other purposes, Shareholders ratify the issue of 35,801,316 Placement Shares on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 44,375,000 Placement Options on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 20,000,000 Lead Manager Options on the terms and conditions set out in the Explanatory Statement.”

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

5. RESOLUTION 5 – ISSUE OF PLACEMENT SHARES AND OPTIONS TO PETER WALL

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 10.11 and for all other purposes, approval is given for the Company to issue 1,250,000 Placement Shares and 625,000 Placement Options to Peter Wall (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 – ISSUE OF PLACEMENT SHARES AND OPTIONS TO PAUL MCKENZIE

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 10.11 and for all other purposes, approval is given for the Company to issue 625,000 Placement Shares and 312,500 Placement Options to Paul McKenzie (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

7. RESOLUTION 7 – ISSUE OF PLACEMENT SHARES AND OPTIONS TO GRAEME ROBERTSON

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 10.11 and for all other purposes, approval is given for the Company to issue 625,000 Placement Shares and 312,500 Placement Options to Graeme Robertson (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

8. RESOLUTION 8 – APPROVAL TO ISSUE ADVISER SECURITIES

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 7.1 and for all other purposes, approval is given for the Company to issue up to 3,125,000 Adviser Shares and 1,562,500 Adviser Options on the terms and conditions set out in the Explanatory Statement."

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

9. RESOLUTION 9 – ISSUE OF OPTIONS TO PAUL MCKENZIE

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 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Paul McKenzie (or his nominee) 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.

10. RESOLUTION 10 – ISSUE OF OPTIONS TO GRAEME ROBERTSON

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 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Graeme Robertson (or his nominee) 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.

11. RESOLUTION 11 – ISSUE OF OPTIONS TO VALENTINE CHITALU

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 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Valentine Chitalu (or his nominee) 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.

12. RESOLUTION 12 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS 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 adopt an employee incentive scheme titled Incentive Performance Rights 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.

13. RESOLUTION 13 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO PETER WALL

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

"That, subject to the passing of Resolution 12, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,500,000 Performance Rights to Peter Wall (or his nominee) under the Incentive Performance Rights 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.

14. RESOLUTION 14 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO LINDSAY REED

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

“That, subject to the passing of Resolution 12, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 9,000,000 Performance Rights to Lindsay Reed (or his nominee) under the Incentive Performance Rights 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.

Dated: 10 March 2021

By order of the Chairman

Ashley Lim
Company Secretary

Voting Prohibition Statements

Resolution 9 – Issue of Options to Related Party - Paul McKenzie	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 10 – Issue of Options to Related Party - Graeme Robertson	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 11 – Issue of Options to Related Party - Valentine Chitalu	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 12 – Adoption of Incentive Performance Rights Plan	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 13 – Issue of Incentive Performance Rights – Peter Wall	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or

	<p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(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.</p>
Resolution 14 – Issue of Incentive Performance Rights – Lindsay Reed	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(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.</p>

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:

Resolution 1 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely Placement recipients) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely Placement recipients) or an associate of that person or those persons.
Resolution 3 – Approval to issue Placement Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Placement recipients) or an associate of that person (or those persons).
Resolution 4 – Approval to issue Lead Manager Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely CPS Capital Pty Ltd) or an associate of that person (or those persons).
Resolution 5 – Issue of Shares and Options – Director Placement – Peter Wall	Peter Wall (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Issue of Shares and Options – Director Placement – Paul McKenzie	Paul McKenzie (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Issue of Shares and Options – Director Placement – Graeme Robertson	Graeme Robertson (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 8 – Approval to issue Adviser Securities	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely S3 Consortium) or an associate of that person (or those persons).

Resolution 9 – Issue of Options to Related Party - Paul McKenzie	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Paul McKenzie) or an associate of that person or those persons.
Resolution 10 – Issue of Options to Related Party - Graeme Robertson	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Graeme Robertson) or an associate of that person or those persons.
Resolution 11 – Issue of Options to Related Party - Valentine Chitalu	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Valentine Chitalu) or an associate of that person or those persons.
Resolution 12 – Adoption of Incentive Performance Rights Plan	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
Resolution 13 – Issue of Incentive Performance Rights – Peter Wall	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Peter Wall) or an associate of that person or those persons.
Resolution 14 – Issue of Incentive Performance Rights – Lindsay Reed	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Lindsay Reed) 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.

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.

If you sign the enclosed Proxy Form and no direction is given, the Chair will be appointed as your proxy. The Chair intends to vote undirected proxies on, and in favour of, all resolutions.

Voting in person

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

You may still attend the meeting and vote in person even if you have lodged appointed a proxy. If you have previously submitted a Proxy Form, your attendance will (unless you instruct the Company

or Automic Registry Services otherwise or not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Voting/Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Voting/Proxy Form with you, you can still attend the meeting but representatives from Automic Registry Services will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6270 4610.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 TO 7

1.1 Background

As announced on 18 February 2021, the Company is currently undertaking a placement to sophisticated and professional investors of up to 91,250,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.08 per Share (**Placement Shares**) to raise up to \$7,300,000, together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Placement**). The Placement is being conducted as follows:

- (a) 88,750,000 Placement Shares, which were issued on 26 February 2021, comprising:
 - (i) 52,948,684 Shares issued pursuant to the Company's existing placement capacity under Listing Rule 7.1 (being the Shares the subject of Resolution 1); and
 - (ii) 35,801,316 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A (being the Shares the subject of Resolution 2); and
- (b) 44,375,000 free attaching Options (**Placement Options**), which will be issued subject to Shareholder approval pursuant to Resolution 3; and
- (c) subject to Shareholder approval pursuant to Resolutions 5 to 7, Messrs Peter Wall, Paul McKenzie and Graeme Robertson are participating in the Placement for a total of AU\$200,000 (being 2,500,000 Shares).

Funds raised from the Placement will be used for working capital requirements and to further Definitive Feasibility Study (**DFS**) activities for the Cabinda Phosphate project, Angola.

1.2 Lead Manager

The Company engaged the services of CPS Capital Group Pty Ltd (ACN 088 055 636) (**CPS Capital**), an authorised representative of (AFSL 294848), to act as lead manager to the Placement. The Company and CPS Capital entered an agreement to set out the terms of CPS Capital's engagement (**Lead Manager Mandate**). Under the Lead Manager Mandate, the Company agreed to pay CPS Capital a management fee of \$146,000 (being, 2% of the amount raised under the Placement) (plus GST) and a placing fee of \$292,000 (being, 4% of the amount raised under the Placement) (plus GST).

In addition, subject to Shareholder approval pursuant to Resolution 4, CPS Capital (or its nominees) will be issued 20,000,000 Options, on the same terms as the Placement Options at an issue price of AUD\$0.0001 each (**Lead Manager Options**). CPS Capital will also receive a monthly corporate advisory fee of AUD\$6,000.00, plus GST, for a minimum of 12 months.

The Lead Manager Mandate otherwise contains terms and conditions considered standard for an agreement of this kind.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULES 7.1 AND 7.1A

2.1 General

The background to the Placement is set out above in Section 1.1.

On 26 February 2021, the Company issued 88,750,000 Shares at an issue price of \$0.08 per Share to raise \$7,100,000 (**Placement Shares**).

52,948,684 Placement Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 35,801,316 Placement Shares (being, the subject of Resolution 2) were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 3 November 2020.

2.2 Listing Rules 7.1 and 7.1A

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

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 3 November 2020.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

2.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A,

effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 1 and 2 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of CPS Capital. The recipients were identified through a bookbuild process, which involved CPS Capital seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 88,750,000 Placement Shares were issued on the following basis:
 - (i) 52,948,684 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 35,801,316 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued on 26 February 2021;
- (f) the issue price was \$0.08 per Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise \$7,100,000, which will be applied to further DFS activities for the Cabinda Phosphate project in Angola and towards working capital requirements; and
- (h) the Placement Shares were not issued under an agreement.

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

3.1 General

The background to the Placement is set out above in Section 1.1.

Resolution 3 seeks Shareholder approval to issue 44,375,000 free attaching Options (**Placement Options**) to sophisticated and professional investors who participated in the Placement on the basis of one (1) Placement Option for every two (2) Placement Shares subscribed for under the Placement.

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Placement Options.

3.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Placement Options will be issued to professional and sophisticated investors who participated in the Placement on the basis of one (1) Option for every two (2) Shares subscribed for under the Placement. The placement participants were identified through a bookbuild process, which involved CPS Capital seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Placement Options to be issued is 44,375,000 as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis;
- (d) the Placement Options will be issued on the terms and conditions set out in Schedule 1;

- (e) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Options will occur on the same date;
- (f) the Placement Options will be issued at a nil issue price as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options);
- (g) the Placement Options are being issued pursuant to the terms of the Placement. The purpose of the Placement was to raise \$7,300,000, which will be applied to further Definitive Feasibility Study activities for the Cabinda Phosphate project in Angola and towards working capital requirements;
- (h) the Placement Options are not being issued under an agreement; and
- (i) the Placement Options are not being issued under, or to fund, a reverse takeover.

4. RESOLUTION 4 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

4.1 General

The background to the Placement is set out above in Section 1.1.

Subject to Shareholder approval, the Company has agreed to issue 20,000,000 Options to CPS Capital (or its nominees) on the same terms as the Placement Options at an issue price of AUD\$0.0001 each (**Lead Manager Options**).

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Lead Manager Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Lead Manager Options. In addition, the issue of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

4.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Lead Manager Options will be issued to CPS Capital (or its nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Lead Manager Options to be issued is 20,000,000. The terms and conditions of the Lead Manager Options are set out in Schedule 1;
- (d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Options will occur on the same date;
- (e) the Lead Manager Options will be issued at a nil issue price, in consideration for the provision of lead manager services provided by CPS Capital in connection with the Placement;
- (f) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations under the Lead Manager Mandate;
- (g) the Lead Manager Options are being issued to CPS Capital under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate is set out in Section 1.2; and
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

5. RESOLUTIONS 5 TO 7 – ISSUE OF SHARES AND OPTIONS TO DIRECTORS

5.1 General

As detailed in Section 1.1, Directors, Messrs Wall, McKenzie and Robertson wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Participation**).

Accordingly, Resolutions 5, 6 and 7 respectively seek Shareholder approval for the issue of:

- (a) up to 1,250,000 Placement Shares and 625,000 Placement Options to Mr Peter Wall (or his nominee);
- (b) up to 625,000 Placement Shares and 312,500 Placement Options to Mr Paul McKenzie (or his nominee); and
- (c) up to 625,000 Placement Shares and 312,500 Placement Options to Mr Graeme Robertson (or his nominee),

(together, **Director Placement Securities**).

5.2 Chapter 2E of the Corporations Act

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

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

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

The Participation will result in the issue of the Director Placement Securities which constitutes giving a financial benefit and Mr Peter Wall, Mr Paul McKenzie and Mr Graeme Robertson are related parties of the Company by virtue of being Directors.

The Directors (other than Messrs Peter Wall, Paul McKenzie and Graeme Robertson) who have a material personal interest in Resolutions 5 to 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Director Placement Securities will be issued to Messrs Peter Wall, Paul McKenzie and Graeme Robertson (or their nominees) on the same terms as Placement Shares and Placement Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

5.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 to 7 seek Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

5.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 to 7 are passed, the Company will be able to proceed with the issue of the Director Placement Securities under the Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds (of \$200,000) which will be used in the manner set out in Section 1.1 above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Securities in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Director Placement Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 to 7 are not passed, the Company will not be able to proceed with the issue of the Director Placement Securities under the Participation and the corresponding \$200,000 from the Directors will not be raised as part of the Placement.

5.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 5 to 7:

- (a) the Director Placement Securities will be issued to Mr Peter Wall, Mr Paul McKenzie and Mr Graeme Robertson (or their respective nominees) each of whom falls within the category set out in Listing Rule 10.11.1, as Mr Peter Wall, Mr Paul McKenzie and Mr Graeme Robertson are related parties of the Company by virtue of being Directors;
- (b) the maximum number of Director Placement Securities to be issued is 2,500,000 Placement Shares and 1,250,000 Placement Options in the following proportions:
 - (i) 1,250,000 Placement Shares and 625,000 Placement Options to Mr Peter Wall (or his nominee) (Resolution 5);
 - (ii) 625,000 Placement Shares and 312,500 Placement Options to Mr Paul McKenzie (or his nominee) (Resolution 6); and
 - (iii) 625,000 Placement Shares and 312,500 Placement Options to Mr Graeme Robertson (or his nominee) (Resolution 7);
- (c) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Director Placement Securities 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 Listing Rules) and it is anticipated the Shares will be issued on the same date;
- (f) the issue price of the Placement Shares will be \$0.08 per Share, being the same issue price as Placement Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Placement Shares;

- (g) the issue price of the Placement Options will be nil as they will be issued free attaching with the Placement Shares on a 1:2 basis. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options);
- (h) the purpose of the issue of Director Placement Securities is to raise a further \$200,000 before costs under the Placement which the Company intends to use in manner as set out in Section 1.1 of this Notice;
- (i) the Director Placement Securities to be issued are not intended to remunerate or incentivise the Directors;
- (j) the Director Placement Securities are not being issued under an agreement; and
- (k) a voting exclusion statement is included in Resolutions 5 to 7 of the Notice.

6. RESOLUTION 8 – APPROVAL TO ISSUE ADVISER SECURITIES

6.1 General

The Company has entered into an agreement with S3 Consortium Pty Ltd (ACN 135 239 968) (**S3 Consortium**) pursuant to which S3 Consortium has agreed to provide marketing services to the Company (**Services Agreement**).

Under the terms of the Services Agreement, subject to Shareholder approval, the Company has agreed to issue S3 with 3,125,000 Shares (**Adviser Shares**) with 1,562,500 free attaching Options (**Adviser Options**) in lieu of a cash payment of \$250,000 for services to be provided by S3 Consortium (**Adviser Securities**). The Adviser Securities are issued on the same basis as the Placement Securities with the Adviser Shares having a deemed issue price of \$0.08 each with 1 Adviser Option being issued for every 2 Adviser Shares issued.

The term of the Services Agreement is for a period of 18 months and shall terminate 3 calendar months after the end of that period. The Services Agreement may also be terminated by either party:

- (a) in the event that the other party is in default of a term of the Services Agreement and that party fails to remedy the default within 14 days of being given notice of the alleged default;
- (b) immediately if the other party is declared bankrupt, suffers an insolvency event or enters into a deed of arrangement with its creditors; or
- (c) by giving not less than 45 days written notice of termination.

The Services Agreement otherwise contains terms and conditions standard for an agreement of this nature.

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Adviser Securities.

6.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders

over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Adviser Securities does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

6.3 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Adviser Securities. In addition, the issue of the Adviser Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Adviser Securities and the Company will need to renegotiate the arrangement with S3 Consortium.

6.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Adviser Securities will be issued to S3 Consortium;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Adviser Securities to be issued is as follows:
 - (i) 3,125,000 Adviser Shares. The Adviser Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
 - (ii) 1,562,500 Adviser Options. The terms and conditions of the Adviser Options are set out in Schedule 1;
- (d) the Adviser Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Adviser Securities will occur on the same date;
- (e) the Adviser Securities will be issued at a nil issue price, in consideration for marketing services provided by S3 Consortium;
- (f) the purpose of the issue of the Ad is to satisfy the Company's obligations under the Services Agreement;

- (g) the Adviser Securities are being issued to S3 Consortium under the Services Agreement. A summary of the material terms of the Services Agreement is set out in Section 6.1; and
- (h) the Adviser Securities are not being issued under, or to fund, a reverse takeover.

7. RESOLUTIONS 9 TO 11 – ISSUE OF RELATED PARTY OPTIONS

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue up to an aggregate of 12,000,000 Options (**Related Party Options**) to Messrs McKenzie, Robertson and Chitalu (or their nominees) (**Related Parties**) pursuant to the Incentive Option Plan (**Option Plan**) and on the terms and conditions set out below.

7.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 5.2 above.

The issue of Related Party Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

The Directors (other than Messrs Paul McKenzie, Graeme Robertson and Valentine Chitalu) who have a material personal interest in Resolutions 9 to 11) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the issue of Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

7.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Related Party Options falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 9 to 11 seek the required Shareholder approval for the issue of the Related Party Options under and for the purposes of Listing Rule 10.14.

7.4 Technical information required by Listing Rule 14.1A

If Resolutions 9 to 11 are passed, the Company will be able to proceed with the issue of the Related Party Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not

required for the issue of the Related Party Options (because approval is being obtained under Listing Rule 10.14), the issue of the Related Party Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 9 to 11 are not passed, the Company will not be able to proceed with the issue of the Related Party Options.

7.5 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 9 to 11:

- (a) the Related Party Options will be issued to the following persons:
 - (i) Mr Paul McKenzie (or his nominees) pursuant to Resolution 9;
 - (ii) Mr Graeme Robertson (or his nominees) pursuant to Resolution 10;
 - (iii) Mr Valentine Chitalu (or his nominees) pursuant to Resolution 11,each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Related Party Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 12,000,000 comprising:
 - (i) 4,000,000 Related Party Options to Mr Paul McKenzie (or his nominees) pursuant to Resolution 9;
 - (ii) 4,000,000 Related Party Options to Mr Graeme Robertson (or his nominees) pursuant to Resolution 10; and
 - (iii) 4,000,000 Related Party Options to Mr Valentine Chitalu (or his nominees) pursuant to Resolution 11;
- (c) the terms and conditions of the Related Party Options are set out in Schedule 2;
- (d) the current total remuneration package for each of the Related Parties are set out below:

Related Party	Current Financial Year
Paul McKenzie	\$36,000
Graeme Robertson	\$36,000
Valentine Chitalu	\$36,000

- (e) a summary of the terms of the Option Plan is contained in Schedule 3;
- (f) no Options have been previously issued to the Related Parties under the Option Plan;

- (g) the Related Party Options are unquoted Options. The Company has chosen to issue Related Party Options to the Related Parties for the following reasons:
- (i) the Related Party Options are unquoted, therefore, the issue of the Related Party Options has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Related Party Options to the Related Parties will align the interests of the Related Parties with those of Shareholders;
 - (iii) the issue of the Related Party 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 Related Parties;
 - (iv) because of the deferred taxation benefit which is available to the Related Parties in respect of an issue of Options. This is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Related Party Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Options on the terms proposed;
- (h) the Company values the Related Party Options based on the Black-Scholes methodology as follows:

Related Party	Value (\$)
Paul McKenzie	\$325,175
Graeme Robertson	\$325,175
Valentine Chitalu	\$325,175
Total	\$975,525

- (i) the Related Party Options will be issued to the Related Parties (or their nominees) no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Related Party Options will occur on the same date;
- (j) the issue price of the Related Party Options will be nil. The Company will not receive any other consideration in respect of the issue of the Related Party Options (other than in respect of funds received on exercise of the Related Party Options);
- (k) no loan is being made to the Related Parties in connection with the acquisition of the Related Party Options;

- (l) details of any Options issued under the Option Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Option Plan after Resolutions 9 to 11 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

8. RESOLUTION 12 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

8.1 General

Resolution 12 seeks Shareholder approval for the adoption of the employee incentive scheme titled “Incentive Performance Rights Plan” (**Performance Rights Plan**) and for the issue of Performance Rights under the Performance Rights Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

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

As summarised in Section 2.2 above, 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 12 is passed, the Company will be able to issue Performance Rights under the Performance Rights Plan to eligible participants over a period of 3 years. The issue of any Performance Rights to eligible participants under the Performance Rights Plan (up to the maximum number of Performance Rights stated in Section 8.2(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 Performance Rights under the 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 12 is not passed, the Company will be able to proceed with the issue of Performance Rights under the Performance Rights Plan to eligible participants,

but any issues of Performance Rights 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 Performance Rights.

8.2 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 12:

- (a) a summary of the key terms and conditions of the Performance Rights Plan is set out in Schedule 4;
- (b) as this is the first time that Shareholder approval is being sought for the adoption of the Performance Rights Plan; and
- (c) the maximum number of Securities proposed to be issued under the Performance Rights Plan, following Shareholder approval, must not at any time exceed in aggregate 10% of the total Shares on issue at the date of any proposed new issues of Securities under the Performance Rights Plan. Based on the number of Shares on issue upon completion of the Placement and the issue of the Adviser Shares, 10% equates to a maximum of 46,403,290 Securities. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

9. RESOLUTIONS 13 AND 14 – ISSUE OF RELATED PARTY PERFORMANCE RIGHTS

9.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Performance Rights Plan (refer to Resolution 12), to issue an aggregate of 13,500,000 Performance Rights to Chairman, Mr Peter Wall, and CEO, Mr Lindsay Reed (or their nominees) pursuant to the Performance Rights Plan and on the terms and conditions set out below (**Incentive Performance Rights**).

9.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 5.2 above.

The issue of Performance Rights to Mr Peter Wall (or his nominee) constitutes giving a financial benefit and Mr Peter Wall is a related party of the Company by virtue of being a Director. Mr Lindsay Reed is not a related party of the Company.

The Directors (other than Mr Peter Wall who has a material personal interest in Resolution 13) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Incentive Performance Rights because the issue of Incentive Performance Rights constitutes reasonable remuneration payable to Mr Peter Wall and Mr Lindsay Reed.

9.3 Listing Rule 10.14

A summary of Listing Rule 10.14 is set out in Section 7.3 above.

The issue of Incentive Performance Rights to Mr Peter Wall and Mr Lindsay Reed falls within Listing Rule 10.14.1 (for Mr Wall) and 10.14.3 (for Mr Reed as CEO) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 13 and 14 seek the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.14.

9.4 Technical information required by Listing Rule 14.1A

If Resolutions 13 and 14 are passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to Mr Peter Wall and Mr Lindsay Reed under the Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 13 and 14 are not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to Mr Peter Wall and Mr Lindsay Reed under the Performance Rights Plan.

9.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 13 and 14:

- (a) the Incentive Performance Rights will be issued to the following persons:
 - (i) Mr Peter Wall (or his nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Wall being a Director; and
 - (ii) Mr Lindsay Reed (or his nominee), who falls within the category set out in 10.14.3, by virtue of Mr Reed being CEO;
- (b) the maximum number of Incentive Performance Rights to be issued is 13,500,000 comprising:
 - (i) 4,500,000 Incentive Performance Rights to Mr Peter Wall (or his nominees) pursuant to Resolution 13; and
 - (ii) 9,000,000 Incentive Performance Rights to Mr Lindsay Reed (or his nominees) pursuant to Resolution 14;
- (c) the current total remuneration package for each of Mr Peter Wall and Mr Lindsay Reed is set out below:

Related Party	Current Financial Year
Peter Wall	\$36,000
Lindsay Reed	\$273,750

- (d) as this is the first time that the Shareholder approval is being sought for the adoption of the Performance Rights Plan, no Performance Rights have been previously issued under the Performance Rights Plan;
- (e) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 5;

- (f) the Incentive Performance Rights are unquoted performance rights. The Company has chosen to grant the Incentive Performance Rights to Mr Peter Wall and Mr Lindsay Reed for the following reasons:
- (i) the Incentive Performance Rights are unlisted, therefore the grant of the Incentive Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Incentive Performance Rights to Mr Wall and Mr Reed will align the interests of Mr Wall and Mr Reed with those of Shareholders;
 - (iii) the issue of the Incentive Performance Rights 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 Mr Wall and Mr Reed; and
 - (iv) the Incentive Performance Rights are subject to deferred taxation.
- (g) the Company values the Incentive Performance Rights based on the Black-Scholes methodology as follows:

Recipient	Number	Performance Milestone Condition	Expiry Date	Valuation
Lindsay Reed (or nominee)	3,000,000	The Company entering into an Off-Take Agreement in relation to the Cabinda Project in Angola	12 months from the date of issue	\$223,200
	3,000,000	Completion of a positive Definitive Feasibility Study by the Company in relation to the Cabinda Project in Angola	18 months from the date of issue	\$181,350
	3,000,000	The Company securing project finance in relation to Cabinda Project in Angola	24 months from the date of issue	\$139,500
Peter Wall (or nominee)	1,500,000	The Company entering into an Off-Take Agreement in relation to the Cabinda Project in Angola	12 months from the date of issue	\$111,600
	1,500,000	Completion of a positive Definitive Feasibility Study by the Company in relation to the Cabinda Project in Angola	18 months from the date of issue	\$90,675
	1,500,000	The Company securing project finance in relation to Cabinda Project in Angola	24 months from the date of issue	\$69,750
				\$816,075

- (h) the Incentive Performance Rights will be issued to Mr Wall and Mr Reed (or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Performance Rights will be issued on one date;
- (i) the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights;
- (j) a summary of the material terms and conditions of the Performance Rights Plan is set out in Schedule 3;
- (k) no loan is being made to Mr Wall and Mr Reed in connection with the acquisition of the Incentive Performance Rights;
- (l) details of any Performance Rights issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolutions 13 and 14 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate means

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

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 Minbos Resources Limited (ACN 141 175 493).

Constitution means the Company's constitution.

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

CPS Capital means CPS Capital Group Pty Ltd (ACN 088 055 636).

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.

Incentive Performance Rights has the meaning given in Section 9.1.

General Meeting or **Meeting** means the meeting convened by 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.

Lead Manager Options has the meaning given in Section 4.1.

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.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Performance Rights Plan means the incentive performance rights plan to be adopted by the Company, being the subject of Resolution 12 as summarised in Schedule 3.

Placement has the meaning given in Section 4.1.

Placement Shares has the meaning given in Section 2.1.

Placement Options has the meaning given in Section 3.1.

Proxy Form means the proxy form accompanying the Notice.

Related Party Options has the meaning given in Section 7.1.

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.

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

SCHEDULE 1 – PLACEMENT/LEAD MANAGER/ADVISER OPTION TERMS

(a) **Entitlement**

Each Placement Option entitles the holder to subscribe for one Share upon exercise of the Placement Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Placement Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Placement Option will expire at 5:00 pm (WST) on 2 years from the date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Placement Options are exercisable at any time on or prior to the relevant Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Placement Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Placement Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Placement Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Placement Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Placement Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Placement Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options without exercising the Placement Options.

(l) **Change in exercise price**

A Placement Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Placement Option can be exercised.

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

(n) **Transferability**

The Placement Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – RELATED PARTY OPTION TERMS

(a) **Entitlement**

Each Related Party Option entitles the holder to subscribe for one Share upon exercise of the Related Party Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Related Party Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Related Party Option will expire at 5:00 pm (WST) on 4 years from the date of grant (**Expiry Date**). A Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Related Party Options are exercisable at any time on or prior to the relevant Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Related Party Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Related Party Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Related Party Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Related Party Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Related Party Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Related Party Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Related Party Related Party Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without exercising the Related Party Options.

(l) **Change in exercise price**

A Related Party Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Related Party Option can be exercised.

(m) **Quotation**

The Company will not apply for quotation of the Options on ASX.

(n) **Transferability**

Subject to the Listing Rules, and except as otherwise provided for by an offer, Related Party Options are only transferrable in special circumstances (as set out in the Option Plan) with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

SCHEDULE 3 – INCENTIVE OPTION PLAN

Incentive Option Plan

The Company has adopted an employee incentive option plan (**ESOP or Option Plan**) on the terms and conditions as set out below:

(a) **Eligibility and Grant of Plan Options**

The Board may grant options to acquire Shares under the Option Plan (**ESOP Options**) to any full or part time employee or director of the Company or subject to, and in accordance with, any necessary ASIC relief being obtained, a casual employee or contractor of the Company (**Eligible Participant**). ESOP Options may be granted by the Board at any time.

(b) **No Consideration**

Unless the ESOP Options are quoted on ASX, ESOP Options will be issued for issued for no more than nominal cash consideration.

(c) **Conversion**

Each ESOP Option is exercisable into one Share ranking equally in all respect with the existing issued Shares.

(d) **Exercise Price and Expiry Date**

The exercise price and expiry date for ESOP Options granted under the Option Plan will be determined by the Board prior to the grant of the ESOP Options.

(e) **Exercise Restrictions**

The ESOP Options granted under the Option Plan may be subject to conditions on exercise as may be fixed by the Board prior to grant of the ESOP Options (**Exercise Conditions**). Any restrictions imposed by the Board must be set out in the offer for the ESOP Options.

(f) **Renounceability**

Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).

(g) **Lapsing of ESOP Options**

Unless the Board determines otherwise, subject to the terms of the offer made to a Participant, an unexercised ESOP Option will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Option;
- (ii) a Vesting Condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Option;
- (iii) in respect of unvested Options only, a Relevant Person ceases to be an Eligible Participant, unless the Board:

- (A) exercises its discretion to vest the Option; or

- (B) in its absolute discretion, resolves to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant.
 - (iv) in respect of vested Options only, a Relevant Person ceases to be an Eligible Participant and the Option granted in respect of that Relevant Person is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made, and the Option does not vest in; and
 - (vii) the Expiry Date of the Option.
- (h) **Share Restriction Period**
- Shares issued on the exercise of ESOP Options may, at the discretion of the Board, be subject to a restriction that they may not be transferred or otherwise dealt with until a restriction period has expired, as specified in the offer for the ESOP Options.
- (i) **Disposal of Options**
- ESOP Options will not be transferable and will not be quoted on the ASX, unless the offer provides otherwise or the Board in its absolute discretion approves.
- (j) **Trigger Events**
- The Company may permit ESOP Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (k) **Participation**
- There are no participating rights or entitlements inherent in the ESOP Options and holders will not be entitled to participate in new issues of capital offered to shareholders of the Company during the currency of the ESOP Options.
- (l) **Change in exercise price**
- An ESOP Option will not confer a right to a change in exercise price or a change in the number of underlying Shares over which the ESOP Option can be exercised.
- (m) **Reorganisation**
- If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (n) **Limitations on Offers**
- The Company must have reasonable grounds to believe, when making an offer under the Option Plan that the number of Shares to be received on exercise of ESOP Options, when aggregated with the number of Shares issued or that may be

issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by an ASIC Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

SCHEDULE 4 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The material terms of the Incentive Performance Rights Plan (**Performance Rights Plan**) are summarised below:

(a) **Eligibility**

Participants in the Performance Rights Plan may be:

- (i) a Director (whether executive or non-executive) of the Company or any Associated Body Corporate of the Company (each, a **Group Company**);
- (ii) a full or part time employee of any Group Company;
- (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class Order); or
- (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (**Eligible Participant**).

(b) **Offer**

The Board may, from time to time, at its absolute discretion, make a written offer to any Eligible Participant to apply for Performance Rights, upon the terms set out in the Performance Rights Plan and upon such additional terms and conditions as the Board determines.

(c) **Plan limit**

The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

(d) **Consideration**

Performance Rights granted under the Performance Rights Plan will be issued for nil cash consideration.

(e) **Vesting conditions**

A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (**Vesting Conditions**).

(f) **Vesting**

The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:

- (i) special circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(**Special Circumstances**), or
- (ii) a change of control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(g) **Lapse of a Performance Right**

A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring;
- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iii) in respect of unvested Performance Right only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (f)

or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iv) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Rights granted in respect of that Relevant Person are not exercised within one (1) month (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
- (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
- (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right; and
- (vii) the expiry date of the Performance Rights.

(h) **Not transferrable**

Subject to the Listing Rules, and except as otherwise provided for by an offer, Performance Rights are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

(i) **Shares**

Shares resulting from the vesting of the Performance Rights shall, subject to any sale restrictions (refer to paragraph (j) from the date of issue, rank on equal terms with all other Shares on issue.

(j) **Sale restrictions**

The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.

(k) **Quotation of Shares**

If Shares of the same class as those issued under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Performance Rights on the ASX.

(l) **No participation rights**

There are no participation rights or entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.

(m) **No change**

A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.

(n) **Reorganisation**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.

(o) **Amendments**

Subject to express restrictions set out in the Performance Rights Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Performance Rights Plan, or the terms or conditions of any Performance Rights granted under the Performance Rights Plan including giving any amendment retrospective effect.

SCHEDULE 5 – TERMS OF INCENTIVE PERFORMANCE RIGHTS

The terms and conditions of the Incentive Performance Rights (**Performance Rights**) to be issued by the Company are set out below:

(a) **Performance Milestone Conditions and Expiry Dates**

The Performance Rights shall be subject to the following **Performance Milestone Conditions** and shall have the following **Expiry Dates**:

Recipient	Number	Performance Milestone Condition	Expiry Date
Lindsay Reed (or nominee)	3,000,000	The Company entering into an Off-Take Agreement in relation to the Cabinda Project in Angola	12 months from the date of issue
	3,000,000	Completion of a positive Definitive Feasibility Study by the Company in relation to the Cabinda Project in Angola	18 months from the date of issue
	3,000,000	The Company securing project finance in relation to Cabinda Project in Angola	24 months from the date of issue
Peter Wall (or nominee)	1,500,000	The Company entering into an Off-Take Agreement in relation to the Cabinda Project in Angola	12 months from the date of issue
	1,500,000	Completion of a positive Definitive Feasibility Study by the Company in relation to the Cabinda Project in Angola	18 months from the date of issue
	1,500,000	The Company securing project finance in relation to Cabinda Project in Angola	24 months from the date of issue

(b) **Notification to holder**

The Company shall notify the holder in writing when the relevant Performance Milestone Condition has been satisfied.

(c) **Conversion**

Subject to paragraph (q), upon satisfaction of the applicable Performance Milestone Condition, and the issue of the notice referred to in paragraph (b) above, each Performance Right will convert into one Share at the election of the holder.

(d) **Change of Control**

In the circumstance of a Change of Control occurring, the relevant Performance Milestone Condition is deemed to be automatically satisfied and each Performance Right will, at the election of the holder, convert into one Share.

(e) **Lapse of a Performance Rights**

Any Performance Right that has not been converted into a Share prior to the Expiry Date specified in paragraph (a) will automatically lapse.

(f) **Fraudulent or dishonest action**

If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

- (i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Performance Milestone Conditions have previously been met, and any Shares issued on satisfaction of the applicable Performance Milestone Conditions will remain the property of the holder.

(g) **Ceasing to be an employee or Director**

If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination arises because the holder:

- (i) voluntarily resigns his or her position (other than to take up employment with a subsidiary of the Company);
- (ii) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of holder;
- (iii) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
- (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,

then:

- (v) unless the Board decides otherwise in its absolute discretion, will deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (vi) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Performance Milestone Conditions have previously been met and any Shares issued on satisfaction of the applicable Performance Milestone Conditions will remain the property of the holder.

(h) **Other circumstances**

The Performance Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of the Company for one of the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable

to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);

- (ii) redundancy (being where the holder ceases to be an employee or Director due to the Company no longer requiring the holder's position to be performed by any person); or
- (iii) any other reason, other than a reason listed in rules (f) and (g) (not including (g)(i), in which case the Board may exercise its absolute discretion to allow the resigned to retain their Performance Right), that the Board determines is reasonable to permit the holder to retain his or her Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the applicable Performance Milestone Conditions.

(i) **Share ranking**

All Shares issued upon the conversion of Performance Rights on satisfaction of the applicable Performance Milestone Condition will upon issue rank *pari passu* in all respects with other Shares.

(j) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(k) **Timing of issue of Shares on Conversion**

Within 10 Business Days after date that Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (k)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(l) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(m) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(n) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(o) **Adjustment for bonus issue**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

(p) **Dividend and Voting Rights**

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

(q) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (q)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(r) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(s) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.

(t) **Tax Deferral**

For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, applies (subject to the conditions in that Act) to the Performance Rights.

(u) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **3.00pm (WST) on Monday, 5 April 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

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

