PROVINCE RESOURCES LIMITED ACN 061 375 442

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10 am (WST)

DATE: 22 April 2021

PLACE: 358a Rokeby Road

SUBIACO WA 6008

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 5pm (WST) on 20 April 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF 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 73,333,334 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 – APPROVAL TO ISSUE SHARES AS PART CONSIDERATION FOR THE ACQUISITION

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 50,000,000 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 - CREATION OF A NEW CLASS OF SECURITIES - PERFORMANCE SHARES

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

"That, for the purpose of Section 246B of the Corporations Act and for all other purposes, the Company is authorised to issue Performance Shares as a new class of shares on the terms and conditions set out in the Explanatory Statement."

Short Explanation: The Company has entered into the Agreement pursuant to which the Company will acquire certain interests connected to the Acquisition. The Company seeks Shareholder approval for the issue the Performance Shares to the shareholders as part consideration for the Acquisition. The Company requires Shareholder approval under the Corporations Act to issue the Performance Shares as a new class of security. Please refer to the Explanatory Statement for details.

4. RESOLUTION 4 – ISSUE OF PERFORMANCE SHARES TO THE VENDORS

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 50,000,000 Performance Shares to the Vendors (or their nominees) 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 SHARES TO RELATED PARTY – MR PATRICK BURKE

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 6,666,666 Shares to Mr Patrick Burke (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 SHARES TO RELATED PARTY – MR DAVID FRANCES

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 10,000,000 Shares to Mr David Frances (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 INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR - MR DAVID FRANCES

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 15,000,000 Performance Rights to Mr David Frances (or his nominee) under the Scheme 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.

8. RESOLUTION 8 - ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR - MR THOMAS LANGLEY

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 7,500,000 Performance Rights to Mr Thomas Langley (or his nominee) under the Scheme 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.

9. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – MR PATRICK BURKE

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 7,500,000 Options to Mr Patrick Burke (or his nominee) under the Scheme 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 - RATIFICATION OF PRIOR ISSUE OF OPTIONS - 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 10,000,000 Options on the terms and conditions set out in the Explanatory Statement."

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

11. RESOLUTION 11 - APPROVAL TO MAKE SELECTIVE REDUCTION OF CAPITAL

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

"That, in accordance with Section 256C(2) of the Corporations Act and for all other purposes, approval is given for the Company to make a selective reduction of capital and cancel a total of 50,000,000 Performance Shares, on the terms and for the purposes set out in the Explanatory Statement."

Dated: 19 March 2021

By order of the Board

Mr Ian Hobson Company Secretary

Voting Prohibition Statements

Resolution 7 – Issue of Performance Rights to Mr David Frances

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 7 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 7 Excluded Party.

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

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

Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:

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

Resolution 8 – Issue of Performance Rights to Mr Thomas Langley

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 8 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 8 Excluded Party.

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

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

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

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

Resolution 9 – Issue of Options to Mr Patrick Burke	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:		
	(a) the proxy is either:		
	(i) a member of the Key Management Personnel; or		
	(ii) a Closely Related Party of such a member; and		
	the appointment does not specify the way the proxy is to vote on this Resolution.		
	However, the above prohibition does not apply if:		
	(a) the proxy is the Chair; and		
	(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.		

Voting Exclusion Statements

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

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 the Capital Raising participants) or an associate of that person or those persons.
Resolution 2 – Approval to issue Shares	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 the Vendors) or an associate of that person (or those persons).
Resolution 4 – Approval to issue Performance Shares to the Vendors	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 the Vendors) or an associate of that person (or those persons).
Resolution 5 – Issue of Shares to Mr Patrick Burke	Patrick Burke (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 to Related Party	David Frances (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 Performance Rights to Mr David Frances	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 Mr David Frances under resolution 6) or an associate of that person or those persons.
Resolution 8 – Issue of Performance Rights to Mr Thomas Langley	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 Thomas Langley under resolution 7) or an associate of that person or those persons.
Resolution 9 – Issue of Options to Mr Patrick Burke	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 Patrick Burke under resolution 8) or an associate of that person or those persons.
Resolution 10 – Ratification of prior issue of Options to Viaticus	A person who participated in the issue or is a counterparty to the agreement being approved (namely Viaticus (or its nominee)) 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.

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9388 8290.

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 6 & 10

1.1 Background

As announced on 17 February 2021, the Company has executed an agreement with the shareholders of Ozexco Pty Ltd (ACN 641 816 971) (Ozexco) to acquire 100% of the shares in the capital of Ozexco (Agreement) (Acquisition). Ozexco has applied for seven exploration licences in the Carnarvon Basin area of Western Australia that are considered to be prospective for salt, potash and mineral sands, together with potentially being suitable for developing a renewable green hydrogen project (Ozexco Project).

For further details of the Acquisition refer to Company announcement dated 17 February 2021.

1.2 Acquisition

In consideration of the Acquisition, the Company has conditionally agreed to:

- (a) issue 50,000,000 Shares to the Ozexco shareholders (**Vendors**) (**Consideration Shares**);
- (b) issue 50,000,000 performance shares which will each convert into a Share upon the satisfaction of an aggregate of 50,000,000 Performance Shares in three (3) tranches to the Ozexco Vendors, the conversion of which into ordinary shares is subject to and conditional upon the following events occurring (in broad terms), within the time limits set out below (each a **Milestone**):

(i) Class A Performance Shares – 16,666,666

Upon the Company announcing to ASX completion of a positive scoping study in relation to the Ozexco Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed to a prefeasibility study on the project, within 18 months of the date of issue of the Class A Performance Shares.

(ii) Class B Performance Shares – 16,666,667

Upon the Company announcing to ASX completion of a positive preliminary feasibility study in relation to the Ozexco Project (**PFS**) which demonstrates a net present value for the Ozexco Project of at least \$500 million or with an internal rate of return of at least 25% (in each case using a 10% discount rate), within 30 months of the date of issue of the Class B Performance Shares.

(iii) Class C Performance Shares – 16,666,667

Upon the Company announcing that it has:

- (A) secured an offtake partner for a minimum of 30% of production proposed under the PFS; or
- (B) outright sale of the Ozexco Project for a value of at least \$100 million,

within 42 months of the date of issue of the Class B Performance Shares,

(together, the **Performance Shares**).

The full terms and conditions of the Performance Shares are set out in the Schedule 1.

1.3 Capital Raising

In connection with the Acquisition, the Company undertook a sophisticated investor capital raising to raise \$1,350,000 (Capital Raising).

Directors, Patrick Burke and David Frances (or their respective nominees) wish to participate in the Capital Raising on the same terms as unrelated participants in the Capital Raising by subscribing for up to an aggregate of 16,666,666 Shares for \$250,000.

Shareholder approval for the participation of the Directors in the Capital Raising is being sought under Resolutions 5 and 6.

The Company intends to use the funds raised from the Capital Raising to fund future exploration and study activities on the Ozexco Project and for general working capital purposes.

1.4 Lead Manager

The Company engaged the services of Vert Capital Pty Ltd (ACN 635 566 424) (**Vert Capital**), an authorised representative of Barclay Wells Ltd AFSL 235070, to act as lead manager to the Capital Raising by way of a lead manager mandate (**Mandate**). Under the Mandate, the Company agreed to pay Vert Capital a lead manager fee of \$81,000 (being, 6% of the amount raised under the Capital Raising) (plus GST).

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

1.5 Appointment of Viaticus Capital

The Company also engaged the services of Viaticus Capital Pty Ltd (ACN 095 512 973) (Viaticus) by way of a consultancy agreement (Consultancy Agreement) to provide corporate advisor services. The appointment is for an initial term of 18 months. Under the Consultancy Agreement, the Company has agreed to pay Viaticus:

(a) a retainer of \$5,000 per month;

- (b) a 6% fee of any amount invested by an investor introduced by Viaticus into any of the Company's capital raisings and a 1% fee on any amount raised by the Company by any licenced broker or fund investor introduced by Viaticus; and
- (c) issue a total of 10,000,000 Options to Viaticus (or its nominee) on the terms as set out in Schedule 6 (the subject of Resolution 10).

The Consultancy Agreement otherwise contains terms and conditions considered standard for an agreement of this kind.

As announced on 17 February 2021, Viaticus contributed to the Capital Raising by placing \$450,000.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

2.1 General

On 22 February 2021, the Company issued 73,333,334 Shares at an issue price of \$0.015 per Share to raise \$1,100,000 (Capital Raising Shares).

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 6 November 2020.

The issue of the Capital Raising 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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Capital Raising Shares.

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 Capital Raising Shares.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Capital Raising Shares.

2.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Capital Raising 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 Capital Raising Shares.

If this Resolution is not passed, the Capital Raising 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 that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Capital Raising Shares.

2.3 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 this Resolution:

- (a) the Capital Raising Shares were issued to professional and sophisticated investors who are clients of Vert Capital. The recipients were identified through a bookbuild process, which involved Vert 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) other than Viaticus, issued more than 1% of the issued capital of the Company;
- (c) 73,333,334 Capital Raising Shares were issued and the Capital Raising 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;
- (d) the Capital Raising Shares were issued on 22 February 2021;
- (e) the issue price was \$0.015 per Capital Raising Shares. The Company has not and will not receive any other consideration for the issue of the Capital Raising Shares;
- (f) the purpose of the issue of the Capital Raising Shares was to raise \$1,100,000, which will be applied towards the Ozexco Project; and
- (g) the Capital Raising Shares were issued under the Mandate. A summary of the material terms of the Mandate is set out in Section 1.4.

3. RESOLUTION 2 - APPROVAL TO ISSUE SHARES AS PART CONSIDERATION FOR THE ACQUISITION

3.1 General

As detailed in Section 1, the Company is seeking shareholder approval to issue in partial consideration 50,000,000 Shares to the Vendors (**Consideration Shares**).

As summarised in Section 2.1 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 Consideration Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

3.2 Technical information required by Listing Rule 14.1A

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

If this Resolution is not passed, the issue of the Consideration Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

This Resolution seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares.

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 this Resolution:

- (a) the Consideration Shares will be issued to the Vendors (or their nominees);
- (b) the details of the Vendors and the number of Consideration Shares they will be issued is as follows:
 - (i) 3VL Pty Ltd <Wylie Family A/C> to be issued 25,000,000 Consideration Shares;
 - (ii) Mark Jonathan Sandford <Stratton A/C> to be issued 12,500,000 Consideration Shares: and
 - (iii) Pheakes Pty Ltd <Senate A/C> to be issued 12,500,000 Consideration Shares;
- (c) the maximum number of Consideration Shares to be issued is 50,000,000. The Consideration 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 Shares 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 Consideration Shares will occur on the same date;
- (e) the Consideration Shares will be issued at a nil issue price, in partial consideration for the Agreement;

- (f) the purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the Agreement;
- (g) the Consideration Shares are being issued to the Vendors under the Agreement. A summary of the material terms of the Agreement is set out in Sections 1.1 and 1.2 and for further details refer to Company announcement date 17 February 2021; and
- (h) the Consideration Shares are not being issued under, or to fund, a reverse takeover.

4. RESOLUTION 3 - CREATION OF A NEW CLASS OF SECURITY - PERFORMANCE SHARES

This Resolution seeks Shareholder approval for the Company to be authorised to issue 50,000,000 Performance Shares.

A company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the Constitution already provides for such an issue.

Under clause 2.1 of the Company's Constitution and, subject to the Corporations Act and the Listing Rules, the Company may issue Shares on any terms and for any consideration as the Directors resolve.

Section 246B of the Corporations Act and clause 2.4 of the Constitution provides that the rights attaching to a class of shares may be varied:

- (a) with the written consent of the holders of 75% of the issued shares of the affected class; or
- (b) by special resolution passed at a separate meeting of the holders of the issued shares of the affected class. Accordingly, the Company seeks approval from Shareholders for the issue of the Performance Shares as a new class of shares on the terms set out in Schedule 1.

5. RESOLUTION 4 – ISSUE OF PERFORMANCE SHARES TO THE VENDORS

5.1 General

Resolution 5 seeks Shareholder approval for the issue of the Performance Shares on completion of the Acquisition.

As detailed in Section 1 and above, the Company has agreed to issue an aggregate of 50,000,000 Performance Shares, on the terms set out in Schedule 1 to the Vendors (or their nominees) as deferred consideration in the following tranches:

- (a) 16,666,666 Class A Performance Shares;
- (b) 16,666,666 Class B Performance Shares; and
- (c) 16,666,667 Class B Performance Shares.

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

The proposed issue of the Performance Shares does not fit within any of these exceptions. While the issue does not exceed the 15% limit in ASX Listing Rule 7.1 and can therefore be made without breaching 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 under ASX Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under ASX Listing Rule 7.1.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Performance Shares to the Vendor. In addition, the issue of the Performance Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1. If this Resolution is not passed, the issue of the Performance Shares cannot proceed on the basis that shareholder approval is required to do so. This is a condition of the Listing Rule 6.1 waiver provided to the Company. This Resolution seeks Shareholder approval for the purposes of ASX Listing Rule 7.1 for the issue of the Performance Shares.

5.3 Technical information required by ASX Listing Rule 7.1

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

- (a) the Performance Shares will be issued to the Vendors (or their nominees), who are not related parties of the Company;
- (b) the details of the Vendors and the number of Performance Shares they will be issued is as follows:
 - (i) 3VL Pty Ltd <Wylie Family A/C> to be issued 25,000,000 Performance Shares;
 - (ii) Mark Jonathan Sandford <Stratton A/C> to be issued 12,500,000 Performance Shares; and
 - (iii) Pheakes Pty Ltd <Senate A/C> to be issued 12,500,000 Performance Shares:
- (c) the maximum number of Performance Shares to be issued is 50,000,000. A summary of the terms and condition of the Performance Shares is set out in Schedule 1;
- (d) the Performance Shares will be issued on completion of the Acquisition, which will occur 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 ASX Listing Rules) and it is intended that the issue of Performance Shares will occur on the same date:
- (e) the Performance Shares will be issued for nil issue price, as part of the consideration for the Acquisition;
- (f) the purpose of the issue of the Performance Shares is to satisfy the Company's obligations to the Vendor as part consideration for the Acquisition;

- (g) the Performance Shares are being issued to the Vendor under the Agreement. A summary of the material terms of the Agreement is set out in Sections 1.1 and 1.2 and for further details refer to Company announcement date 17 February 2021;
- (h) the Performance Shares are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in this Resolution of the Notice.

6. RESOLUTIONS 5 AND 6 - ISSUE OF SHARES TO RELATED PARTY - DIRECTOR PARTICIPATION

6.1 General

As set out in Section 1 above, Directors Mr Patrick Burke and David Frances wish to participate in the Capital Raising on the same terms as unrelated participants in the Capital Raising (**Participation**).

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

- (a) 6,666,666 Shares to Patrick Burke (or his nominee); and
- (b) 10,000,000 Shares to David Frances (or his nominee),

as a result of the Participation on the terms set out below.

6.2 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 Shares which constitutes giving a financial benefit and Messrs Burke and Frances, are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Burke who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Shares will be issued to Mr Burke (or his nominee) on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Frances who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Shares will be issued to Mr Frances (or his nominee) on the same terms as Shares issued

to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

6.3 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 and 6 seek Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Shares 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 which will be used in the manner set out in Section 6.1 above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 6 is not passed, the Company will not be able to proceed with the issue of the Shares under the Participation and no further funds will be raised in respect of the Capital Raising.

6.5 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 these Resolution:

(a) the Shares will be issued to Patrick Burke and David Frances (or their nominees), who fall within the category set out in Listing Rule 10.11.1, as

Mr Burke and Mr Frances are related parties of the Company by virtue of being Directors;

- (b) the maximum number of Participation Shares to be issued is 16,666,666 in the following proportions:
 - (i) 6,666,666 Shares to Patrick Burke (or his nominee) (Resolution 5);
 - (ii) 10,000,000 Shares to David Frances (or his nominee) (Resolution 6);
- (c) the 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 Shares 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;
- (e) the issue price will be \$0.015 per Share, being the same issue price as Shares issued to other participants in the Capital Raising. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares under the Participation is to raise capital, which the Company intends to apply towards the Ozexco Project in the manner set out in Section 1.3;
- (g) the Shares to be issued under the Participation are not intended to remunerate or incentivise the Director;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statements is included in this Notice.

7. RESOLUTIONS 7 AND 8 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTORS

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 15,000,000 Performance Rights to Mr David Frances and 7,500,000 Performance Rights to Mr Thomas Langley (or their nominees) (**Related Parties**) pursuant to the Company's Employee Securities Incentive Plan as adopted by Shareholders on 12 September 2018 (**Scheme**) and on the terms and conditions set out below (**Performance Rights**).

7.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 6.2 above.

The issue of the Performance Rights 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.

As the Performance Rights are proposed to be issued to all of the Directors other than Patrick Burke who is not receiving Performance Rights, the "non-interested director", the Directors are unable to form a quorum to consider whether one of

the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Performance Rights. Accordingly, Shareholder approval for the issue of Performance Rights to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

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 Performance Rights to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 7 to 8 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

7.4 Technical information required by Listing Rule 14.1A

If Resolutions 7 to 8 are passed, the Company will be able to proceed with the issue of the Performance Rights to the Related Parties under the Scheme 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 Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 7 to 8 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Related Parties under the Scheme.

7.5 Technical information required by Listing Rule 10.15 and section 219 of the Corporations Act

Pursuant to and in accordance with the requirements of Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to these Resolutions:

- (a) the Performance Rights will be issued to the following persons:
 - (i) Mr David Frances (or his nominee) pursuant to Resolution 7; and
 - (ii) Mr Thomas Langley (or his nominee) pursuant to Resolution 8,

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 Performance Rights to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 22,500,000 as follows:
 - (i) 15,000,000 Performance Rights to Mr David Frances (or his nominee) pursuant to Resolution 7 comprising; and
 - (ii) 7,500,000 Performance Rights to Mr Thomas Langley (or his nominee) pursuant to Resolution 8;
- (b) the milestones and vesting criteria attaching to the different classes of Performance Rights are set out in Schedule 3 and the number of Performance Rights to be issued to each Director is each respective class (as described in Schedule 3) set out in the table below:

	David Frances	Thomas Langley
Class A Performance Rights	5,000,000	2,500,000
Class B Performance Rights	5,000,000	2,500,000
Class C Performance Rights	5,000,000	2,500,000

- (c) no Performance Rights have previously been issued to Thomas Langley or David Frances under the Scheme;
- (d) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 3;
- (e) the Performance Rights are unquoted securities. The Company has chosen to issue Performance Rights to the Related Parties for the following reasons:
 - (i) the Performance Rights are unquoted; therefore, the issue of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the milestones attaching to the Performance Rights will align the interests of the Related Parties with those of Shareholders;
 - (iii) the issue of the 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 Frances and Mr Langley; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed;
- (f) the number of Performance Rights to be issued to each of the Related Parties has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;

- (ii) the remuneration of the Related Parties; and
- (iii) incentives to attract and ensure continuity of service/retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed;

(g) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
David Frances	\$250,000	Nil
Thomas Langley	\$36,000	Nil

- (h) the value of the Performance Rights and the pricing methodology is set out in Schedule 5;
- (i) the Performance Rights will be issued to the Related Parties 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 Performance Rights will be issued on one date;
- (j) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- (k) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which 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;
- (I) a summary of the material terms and conditions of the Scheme is set out in Schedule 2;
- (m) no loans are being made to the Related Parties in connection with the acquisition of the Performance Rights;
- (n) details of any Performance Rights issued under the Scheme 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;
- (o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Scheme after Resolutions 7 and 8 are approved and who were not

named in this Notice will not participate until approval is obtained under Listing Rule 10.14;

(p) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares ¹	Options ²	Performance Rights
David Frances	Nil	Nil	Nil
Thomas Langley	55,555,555	7,000,000	Nil

Notes:

- 1. Fully paid ordinary shares in the capital of the Company (ASX: PRL).
- 2. Unquoted Options exercisable at \$0.04 each on or before 13/11/2022.
- (q) if the milestones attaching to the Performance Rights issued to the Related Parties are met and the Performance Rights are converted, a total of 22,500,000 Shares would be issued. This will increase the number of Shares on issue from 850,893,145 (being the total number of Shares on issue as at the date of this Notice) to 873,393,145 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.6%, comprising 1.8% by David Frances and 0.8% by Thomas Langley;
- (r) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.14	17/02/21
Lowest	\$0.01	13/03/20 to 1/06/20
Last	\$0.125	18/03/21

- (s) David Frances is an executive Director of the Company and therefore Patrick Burke believes that the issue of the Performance Rights to David Frances is in line with Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations;
- (t) Partick Burke acknowledges that the issue of the Performance Rights to the non-executive Director of the Company, Thomas Langley (**Non-Executive Directors**), is contrary to Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. However, Patrtick Burke considers the issue of Performance Rights to the Non-Executive Directors to be reasonable in the circumstances for the reasons set out in Section 7.5(e) and 7.5(k);
- (u) each Director other than Patrick Burke has a material personal interest in the outcome of Resolutions 7 to 8 on the basis that the Directors (other than Patrick Burke) (or their nominees) are to be issued Performance Rights should Resolutions 7 to 8 be passed. For this reason, the Directors

(other than Patrick Burke) do not believe that it is appropriate to make a recommendation on Resolutions 7 to 8 of this Notice; and

(v) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 7 to 8.

8. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – MR PATRICK BURKE

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 7,500,000 Options to Patrick Burke (or his nominee) pursuant to the Scheme, comprising of:

- (a) 3,375,000 Tranche 1 Options; and
- (b) 3,375,000 Tranche 2 Options,

and on the terms and conditions set out below, together with Schedule 4 (Incentive Options).

8.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 6.2 above.

The issue of the Incentive Options to Patrick Burke (or his nominee) constitutes giving a financial benefit and Patrick Burke is a related party of the Company by virtue of being a Director.

The Directors (other than Patrick Burke) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options, because the agreement to issue the Incentive Options, reached as part of the remuneration package for Patrick Burke, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

8.3 **Listing Rule 10.14**

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

The issue of Incentive Options to Patrick Burke falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

This Resolution seeks the required Shareholder approval for the issue of the Incentive Options under and for the purposes of Listing Rule 10.14.

8.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of the Incentive Options to Patrick Burke under the Scheme 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 Options (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Options will not use up any of the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Patrick Burke under the Scheme.

8.5 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 this Resolution:

- (a) the Incentive Options will be issued to Patrick Burke (or his nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of Patrick Burke being a Director;
- (b) the maximum number of Incentive Options to be issued is set out in the table below:

Party	Tranche 1	Tranche 2	Total
Patrick Burke	3,375,000	3,3750,000	7,500,000

- (c) the current total remuneration package for Patrick Burke is \$60,000, comprising director fees inclusive of superannuation. If the Incentive Options are issued, the total remuneration package of Patrick Burke will increase by the amount as set out in Schedule 5, being the value of the Incentive Options (based on the Black Scholes methodology);
- (d) nil Options have previously been issued to Patrick Burke under the Scheme;
- (e) a summary of the material terms and conditions of the Incentive Options is set out in Schedule 4.
- (f) the Incentive Options will be unquoted Options. The Company has chosen to issue Incentive Options to Patrick Burke for the following reasons:
 - (i) the Incentive Options are unquoted; therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Incentive Options to Patrick Burke will align the interests of Patrick Burke with those of Shareholders;
 - (iii) the issue of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Patrick Burke; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed;
- (g) the value of the Incentive Options and the pricing methodology is set out in Schedule 5;
- (h) the Incentive Options will be issued to Patrick Burke (or his nominee) 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 Options will be issued on one date;
- (i) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options);
- (j) a summary of the material terms and conditions of the Scheme is set out in Schedule 2:
- (k) no loan is being made to Patrick Burke in connection with the acquisition of the Incentive Options;
- (I) details of any Options issued under the Scheme 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 Scheme after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

9. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF OPTIONS - LISTING RULE 7.1

9.1 General

On 22 February 2021, the Company issued a total of 10,000,000 Options to Viaticus in partial consideration of the corporate advisory services provided by Viaticus exercisable \$0.04 each on or before 13 November in accordance with the terms of the Consultancy Agreement (Viaticus Options).

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 6 November 2020.

The issue of the Viaticus Options 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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Viaticus Options.

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 Viaticus Options.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Viaticus Options.

9.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Viaticus Options 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 Viaticus Options.

If this Resolution is not passed, the Viaticus Options 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 that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Capital Raising Shares.

9.3 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 this Resolution:

- (a) the Viaticus Options were issued to Viaticus;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that the recipient was:
 - (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) 10,000,000 Viaticus Options were issued and the Viaticus Options were issued on the terms and conditions set out in Schedule 6;
- (d) the Viaticus Options were issued on 22 February 2021;
- (e) the Viaticus Options were issued at a nil issue price, in partial consideration for services provided by Viaticus. The Company has not and will not receive any other consideration for the issue of the Viaticus Options (other than in respect of funds received on exercise of the Viaticus Options);
- (f) the purpose of the issue of the Viaticus Options was to satisfy the Company's obligations under the Consultancy Services Agreement; and
- (g) the Viaticus Options were issued under the Consultancy Services Agreement. A summary of the material terms of the Consultancy Services Agreement is set out in Section 1.5.

10. RESOLUTION 11 – APPROVAL TO MAKE SELECTIVE REDUCTION OF CAPITAL

10.1 Background to the Performance Shares

On 3 June 2020, the Company entered into a binding agreement with Vanatech Pty Ltd (ACN 625 113 144) (Vanatech) and Thomas Edward Langley as trustee for the Langley Mineral Holdings Trust (LM Holdings) (as the sole Vanatech shareholder) (Vanatech Agreement) pursuant to which LM Holdings agreed to sell, and the Company agreed to buy, 100% of the issued capital in Vanatech (Vanatech Acquisition). Under the Vanatech Agreement, as part consideration for the Vanatech Acquisition, the Company agreed to issue 50,000,000 performance shares in the capital of the Company to LM Holdings (Performance Shares).

For the full terms and conditions of the Performance Shares, refer to the Company's notice of general meeting dated 19 June 2020.

On 23 July 2020, the Company issued the Performance Shares to LM Holdings (**Performance Shareholder**) as set out above. For further details, please refer to the announcement released on the Company's ASX platform at the time of the issue (ASX: SVD) on 23 July 2020.

The Company is seeking the requisite approval of Shareholders required under the Corporations Act for the selective reduction and cancellation of the Performance Shares held by the Performance Shareholder (as the sole Vanatech shareholder) (**Selective Capital Reduction**).

The milestone events attaching to the Performance Shares have not been achieved and none of the Performance Shares have been converted into Shares.

This Resolution is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution to be in favour of the Resolution for it to be passed.

10.2 Corporations Act

Pursuant to Section 256C of the Corporations Act, a company may make a selective capital reduction if it is approved by a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced.

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of shareholders and creditors by:

- (a) addressing the risk of the transaction leading to the Company's solvency;
- (b) seeking to ensure fairness between the shareholders of the Company; and
- (c) requiring the Company to disclose all material information.

In particular, Section 256B of the Corporations Act requires that a Company may only reduce its capital if:

(a) it is fair and reasonable to the shareholders as a whole;

- (b) it does not materially prejudice the Company's ability to pay its creditors; and
- (c) it is approved by shareholders in accordance with Section 256C of the Corporations Act.

Section 256C(4) of the Corporations Act requires that the Company must include with the Notice a statement setting out all information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to shareholders.

The Directors believe that the Selective Capital Reduction as proposed is fair and reasonable to Shareholders for the following reasons:

- (a) the Selective Capital Reduction will only result in the cancellation of Performance Shares issued to LM Holdings (held by Director Thomas Langley) as the sole Performance Shareholder;
- (b) the Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors and will have minimal financial effect on the Company; and
- (c) the financial effect on cash reserves of the Selective Capital Reduction on the Company will be nil as no consideration is being provided for the Selective Capital Reduction.

The Directors do not consider that there are any material disadvantages to the Company undertaking the Selective Capital Reduction.

Pursuant to Section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a general meeting by all Shareholders.

In addition, section 256C(2) provides that if the reduction involves the cancellation of shares, the reduction must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled. In lieu of this requirement, the Performance Shareholder has provided its written approval to the Company for the cancellation of the Performance Shares and have agreed to waive any applicable notice period.

10.3 Summary of and Effect of Proposed Selective Capital Reduction

The overall effect of the Selective Capital Reduction is to reduce the number of this particular class of Performance Shares currently on issue from 50,000,000 to nil.

As the milestones events attached to the Performance Shares have not been achieved and none of the Performance Shares have been converted into Shares, on completion of the Selective Capital Reduction of the Performance

Shares, there will be no change to the control of the Company and the percentage of the Company owned by each Shareholder will remain the same.

10.4 Interests of Directors

As detailed above, Mr Langley has an interest in the Selective Capital Reduction and therefore makes no recommendation in relation to Resolution

The Directors (other than Thomas Langley as the sole holder of the Performance Shares) do not have any material interest in the outcome of this Resolution other than as a result of their interest arising solely in the capacity as Shareholders. The Directors (other than Thomas Langley) do not have any interest in any Performance Shares.

The Directors (other than Thomas Langley) believe that the Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors because the Selective Capital Reduction is being made for nil cash consideration and will have sufficient cash reserves to meet its financial commitments.

Accordingly, the Directors (other than Thomas Langley) recommend that Shareholders vote in favour of this Resolution as they consider the proposed reduction of capital to be fair and reasonable and in the best interests of Shareholders.

10.5 Other Material Information

There is no information material to the making of a decision by a Shareholder whether or not to approve this Resolution being information that is known to any of the Directors and which has not been previously disclosed to Shareholders, other than as disclosed in this Explanatory Statement.

Once this Resolution is passed by Shareholders, the Company will not make the reduction of capital until at least 14 days after lodgement of this Resolution with the ASIC.

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.

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 Province Resources Limited (ACN 061 375 442).

Constitution means the Company's constitution.

Consultancy Services Agreement means the agreement dated 14 February 2021 between the Company and Viaticus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Employee Securities Incentive Plan means the Company's employee securities incentive plan as adopted in September 2018.

Explanatory Statement means the explanatory statement accompanying the Notice.

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.

Listing Rules means the Listing Rules of ASX.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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

Scheme means the Company's Employee Securities Incentive Plan.

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.

Viaticus means Viaticus Capital Pty Ltd (ABN 78 095 512 973)

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

SCHEDULE 1 - TERMS AND CONDITIONS OF PERFORMANCE SHARES

The terms of the Performance Shares are as follows:

(a) Entitlement

Each Performance Share entitles the holder (**Holder**) to subscribe for one fully paid ordinary share in the Company (**Share**) upon satisfaction of the Milestone (defined below).

(b) Notice of satisfaction of Milestone

The Company shall give written notice to the Holder promptly following satisfaction of a Milestone (defined below) or lapse of a Performance Share where the Milestone is not satisfied.

(c) No voting rights

A Performance Share does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.

(d) No dividend rights

A Performance Share does not entitle the Holder to any dividends.

(e) No rights to return of capital

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

(f) Rights on winding up

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

(g) **Not transferable**

A Performance Share is not transferable.

(h) 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 Corporations Act at the time of reorganisation.

(i) Application to ASX

The Performance Shares will not be quoted on ASX. However, the Company must apply for the Official Quotation of a Share issued on conversion of a Performance Share on ASX within the time period required by the ASX Listing Rules.

(j) Participation in new issues

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

(k) Conversion on change of control

Subject to paragraph (I) and notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:

- (i) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's shares on issue and being declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

that number of Performance Shares that is equal to not more than 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Shares that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

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

If the conversion of a Performance Share under paragraph (k) or (o) 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 Share 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 Share 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 Share 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 Share will not result in any person being in contravention of the General Prohibition; and
- (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 (i) within seven days if the Company considers that the conversion of a Performance Share 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 Share will not result in any person being in contravention of the General Prohibition.

(m) **No other rights**

A Performance Share gives the Holders 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.

Conversion of the Performance Shares

(n) Milestones

- (i) Class A Performance Shares: A Class A Performance Share will automatically be converted into a Share upon the Company announcing to ASX completion of a positive scoping study in relation to the Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed a prefeasibility study on the project, within 18 months of the date of issue of the Class A Performance Shares (Class A Milestone).
- (ii) Class B Performance Shares: A Class B Performance Share will automatically be converted into a Share upon the Company announcing to ASX completion of a positive preliminary feasibility study in relation to the Project (PFS) which demonstrates a net present value for the Project of at least \$500 million or with an internal rate of return of at least 25% (in each case using a 10% discount rate), within 30 months of the date of issue of the Class B Performance Shares (Class B Milestone).
- (iii) Class C Performance Shares: A Class C Performance Share will automatically be converted into a Share upon the Company announcing to ASX that it has:
 - (A) secured an offtake partner, under a Binding Agreement, for a minimum of 30% of production proposed under the PFS; or
 - (B) an outright sale of the Project (or part of it) for a value of at least \$100 million,

within 42 months of completion of the date of issue of the Class B Performance Shares (**Class C Milestone**).

(o) Determination of satisfaction of the Milestones

The following principles must be followed in determining satisfaction of the Milestones:

- (i) the scoping study and PFS must be prepared in accordance with the JORC Code and signed off by an independent competent person under the JORC Code; and
- (ii) the Independent Directors must, acting bona fide and objectively, determine whether or not each of the Milestones has been satisfied.

(p) Conversion

A Performance Share will, subject to these terms, automatically convert to one Share upon a Milestone being achieved. No payment is required to be made for conversion of a Performance Share to a Share.

(q) Lapse

If the Milestone is not achieved within the required timeframe, then the relevant Performance Share will automatically lapse. For the avoidance of doubt, a Performance Share will not lapse in the event the relevant Milestone is met

before the required date and the Shares the subject of a conversion are deferred in accordance with paragraph (I) above.

(r) Issue of Shares

The Company will issue the Share on conversion of a Performance Share within five (5) Business Days following the conversion or such other period required by the ASX Listing Rules.

(s) Holding statement

The Company will issue the Holder with a new holding statement for any Shares issued upon conversion of a Performance Share within 10 Business Days following the issue of the Shares.

(†) Ranking upon conversion

The Share into which a Performance Share may convert will rank pari passu in all respects with existing Shares.

(∪) **Definitions**

For the purposes of the above:

- (i) "Binding Agreement" means an agreement that is binding on both the counterparty and the Company or Ozexco (but may be subject to conditions);
- (ii) "Independent Directors" means those directors of the Company at the time who do not have an entitlement to any Performance Shares; and
- (iii) "Milestone" means, as the context requires, a Class A Milestone, Class B Milestone or Class C Milestone.
- (iv) "Project" means any mineral resource project and/or hydrogen project that is set up by the Company or one of its subsidiaries within the boundaries of the area covered by tenement applications ELAs 09/2486, 09/2487, 09/2488, 09/2489, 09/2490, 09/2491 and 09/2492 (or any grant, renewal, replacement, variation, substitution etc of any of them).

SCHEDULE 2 - EMPLOYEE SECURITIES INCENTIVE PLAN

The material terms and conditions of the Company's Employee Incentive Plan (**Scheme**) are summarised below:

1. Eligible Participant

Eligible Participant means a person who is a full-time or part-time employee, officer, or contractor of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Plan from time to time.

The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

2. Purpose

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

3. Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

4. Eligibility, invitation and application

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

5. Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

6. Terms of Convertible Securities

Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

7. Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and

issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

10. Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the

Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Group or any entity within the Group into disrepute, or wilfully breached his or her duties to the Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation or vesting notice.

11. Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event provided that, in respect of Convertible Securities, the maximum number of Convertible Securities (that have not yet been exercised) that the Board may determine will vest and be exercisable into Shares under this Rule is that number of Convertible Securities that is equal to 10% of the Shares on issue immediately following vesting under this Rule, which as far as practicable will be allocated between holders on a prorata basis on the basis of their holdings of Convertible Securities on the date of determination of vesting.

12. Rights attaching to Plan Shares

All Shares issued or transferred under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

13. Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

14. Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15. Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. Compliance with applicable law

No Security may be offered, grated, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Plan Shares that may be issued upon exercise of Convertible Securities offer 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 three year period under:

- (a) an employee incentive scheme of the Company covered by ASIC Class Order 14/1000; or
- (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,

but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:

- (c) an offer to a person situated at the time of receipt of the offer outside Australia:
- (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or
- (e) an offer made under a disclosure document,

would exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation.

17. Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

19. Income Tax Assessment Act

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

SCHEDULE 3 - TERMS OF RELATED PARTY PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Performance Rights to be issued by Province Resources Limited (**Company**) to the Directors:

(a) Milestones

The Performance Rights shall have the following vesting criteria (each, a **Milestone**) attached to them:

- (i) Class A Performance Rights: Class A Performance Rights shall vest upon the Company announcing to ASX completion of a positive scoping study in relation to the Ozexco Project, to the reasonable satisfaction of the independent directors of the Company, as evidenced by a decision to proceed a prefeasibility study on the project, within 18 months of the date of issue;
- (ii) Class B Performance Rights: Class B Performance Rights shall vest on upon the Company announcing to ASX completion of a positive prefeasibility study in relation to the Ozexco Project (PFS), which demonstrates a net present value at least \$500 million with an internal rate of return of at least 25% (in each case using a 10% discount rate), within 30 months from the date of issue; and
- (iii) Class C Performance Rights: Class C Performance Rights shall vest upon the Company announcing to ASX that it has:
 - (A) secured an offtake partner, under a binding agreement, for a minimum of 30% of production proposed under the PFS; or
 - (B) an outright sale of the Ozexco Project for a value of at least \$100 million,

within 42 months of completion of the date of issue of the Class B Performance Rights.

(b) Notification to holder

The Company shall notify the holder in writing when each Milestone has been satisfied.

(c) Conversion

Subject to paragraph (m), upon vesting, each Performance Right will, at the election of the holder, convert into one (1) Share.

(d) Lapse of a Performance Right

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

(e) Share ranking

All Shares issued upon the vesting Performance Rights will upon issue rank pari passu in all respects with other Shares.

(f) 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.

(g) Transfer of Performance Rights

The Performance Rights are not transferable.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(I) Change in Control

Subject to paragraph (m), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the applicable Milestone, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

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

If the conversion of a Performance Right under paragraph (c) or (k) 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 (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.

(n) 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.

(o) 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.

(p) 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.

(q) Subdivision 83AC-C

Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the Performance Right.

(r) **Discretion**

Consistent with the terms of the Performance Rights Plan, the Board may, in its absolute discretion, determine by resolution of the Board that a particular Milestone has been satisfied or satisfied to such an extent that the Performance Right to which the applicable Milestone relates will be deemed to have vested.

(s) No Restriction Period

Clause 9 of the Performance Rights Plan shall not apply to the Shares acquired by the holder by exercising the Performance Rights.

SCHEDULE 4 - TERMS AND CONDITIONS OF INCENTIVE OPTIONS

1. Entitlement

Each Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.04 (Exercise Price).

3. Expiry Date

Each Option will expire at 5:00pm (WST) on 13 November 2022 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

Options issued will vest and be exercisable subject to the following vesting conditions:

	Vesting Conditions
Tranche 1	Exercisable at any time on or prior to the Expiry Date.
Tranche 2	Subject to Patrick Burke remaining employed or appointed by the Company for a period of 12 months of continuous service after the issue of the Options.

The Options are exercisable at any time after vesting on or prior to the Expiry Date (**Exercise Period**) after which the Options will lapse.

5. Notice of Exercise

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

6. 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 Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 10 Business Days after the Exercise Date, the Company will:

 (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (b) 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
- (c) 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 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.

8. Shares issued on exercise

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

9. 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.

10. Reconstruction of capital

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

11. Participation in new issues

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

12. Change in exercise price

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

13. Unquoted

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

14. Transferability

The Options are non-transferable.

SCHEDULE 5 - VALUATION OF PERFORMANCE RIGHTS AND INCENTIVE OPTIONS

Performance Rights

The Performance Rights to be issued to the Related Parties pursuant to Resolutions 6 to 7 have been valued by internal management. The assessed fair value of the Performance Rights is considered to be the underlying share price at the date of shareholder approval. The non-market vesting conditions of the Performance Rights are not reflected in the fair value – refer AASB 2.

The Performance Rights were therefore ascribed the following value:

Item	
Value of the underlying Shares	8.1 cents
Valuation date	26 February 2021
No. of Performance Rights	22,500,000
Total Value of Performance Rights	\$1,822,500
- David Frances (Resolution 6)	\$ 1,215,000
- Thomas Langley (Resolution 7)	\$607,500

Note:

The valuation noted above is not necessarily the market price that the Performance Rights could be traded at and is not automatically the market price for taxation purposes.

Incentive Options

The Incentive Options to be issued to the Related Parties pursuant to Resolution 8 have been independently valued.

Using Hoadley Trading & Investment Tools ES02 binomial option valuation model and based on the assumptions set out below, the Incentive Options were ascribed the following value:

Item	Tranche 1	Tranche 2
Value of the underlying Shares	\$0.081	\$0.081
Valuation date	26/2/2021	26/2/2021
Commencement of performance/vesting period	Immediately	26/2/2021
Performance measurement/vesting date	Immediately	26/2/2022
Expiry date	13/11/2022	13/11/2022
Early exercise Multiple	2.5x	2.5x
Volatility (discount)	100%	100%
Risk-free interest rate	0.12%	0.12%

Item	Tranche 1	Tranche 2
Value per option	\$0.0464	\$0.05270
Total Value of Incentive Options	\$156,600	\$177,863

Note:

The valuation noted above is not necessarily the market price that the Incentive Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 6 - TERMS AND CONDITIONS OF THE VIATICUS OPTIONS

(a) Entitlement

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

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (Exercise Price)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 13 November 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

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

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each 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 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 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 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 Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

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

(j) Participation in new issues

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

(k) Change in exercise price

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

(I) Transferability

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



Province Resources Limited | ABN 83 061 375 442

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 10.00am (WST) on Tuesday, 20 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:

 $\textbf{WEBCHAT:} \ \textbf{https://automicgroup.com.au/}$

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

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote.

Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 7 to 9 (except where I/we have indicated a different voting intention below) even though Resolutions 7 to 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 – Your voting direction

Res	solutions	For	Against	Abstain	Resolutions	For	Against Absta	nin
1.	Ratification of prior issue of Shares - Listing Rule 7.1				6. Issue of Shares to Related Party - Mr David Frances			
2.	Approval to issue Shares as part consideration for the Acquisition				7. Issue of Incentive Performance Rights to Director - Mr David Frances			
3.	Creation of a new class of securities - Performance Shares				8. Issue of Incentive Performance Rights to Director - Mr Thomas Langley			
4.	Approval to issue Performance Shares to the Vendors				 Issue of Options to related party - Mr Patrick Burke 			
5.	Issue of Shares to related party - Mr Patrick Burke				10. Ratification of prior issue of Options — Listing Rule 7.1			
					11. Approval to make selective reduction of capital			

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1							Securityholder 2								Securityholder 3														
Sole Director and Sole Company Secretary Contact Name:						D	Director Director / Company Secretary																						
Emc	il Add	ress:																											
Contact Daytime Telephone																	Do	ate (D	D/MN	1/YY)									
																					/			/					
Bu p	Bu providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).																												