



Force Commodities Limited

ACN 145 184 667

Notice of
Annual General Meeting
27 May 2021
10:00 am WST

This is an important document. Please read it carefully.

Please speak to your professional advisers if you have any questions about this document or how to vote at the Meeting.

Notice of 2021 Annual General Meeting

Notice is hereby given that the 2021 Annual General Meeting of Force Commodities Limited (the **Company** or **4CE**) is to be held at 10:00 am WST on 27 May 2021, Ground Floor, 216 St Georges Terrace, Perth WA, 6000.

Ordinary Business of the Meeting

Financial Statements and Reports

To receive the Company's financial statements and the reports of the Directors and the Auditor for the financial year ended 31 December 2020. There is no requirement for a formal resolution on this item.

1. Resolution 1: Non-binding resolution to adopt the Remuneration Report

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

Adoption of Remuneration Report

That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's Annual Report for the financial year ended 31 December 2020 be adopted.

Note: *The vote on this resolution is advisory only and does not bind the Directors of the Company.*

Voting Exclusion Statement:

Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of any of the following persons:

- a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- b) a Closely Related Party of such a member (together "prohibited persons").

However, the Company will not disregard a vote if:

- a) the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- b) the vote is not cast on behalf of a prohibited person.

Election of Directors

2. Resolution 2: Ordinary Resolution to Elect Robert Martin as a Director

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

"That, Robert Martin, retiring in accordance with rule 7.3(c) of the Company's Constitution be re-elected as a director of the Company."

3. Resolution 3: Ordinary Resolution to Elect Michael Leu as a Director

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

"That, Michael Leu, retiring in accordance with rule 7.3(c) of the Company's Constitution be re-elected as a director of the Company."

4. Resolution 4: Ordinary Resolution to Elect Jeremy Whybrow as a Director

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

"That, Jeremy Whybrow, retiring in accordance with rule 7.3(c) of the Company's Constitution be re-elected as a director of the Company."

Change of Company Name

5. Resolution 5: Change of Company Name

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

"That, for the purpose of section 157(1)(a) of the Corporations Act 2001 and for all other purposes, approval is given for the name of the Company to be changed to Critical Resources Limited".

Employee Incentive Plan

6. Resolution 6: Adoption of Force Commodities Limited Employee Incentive Plan

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

"That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt the Force Commodities Limited Employee Incentive Plan on the terms and conditions summarised in the accompanying Explanatory Statement."

Voting Exclusion:

The Company will disregard any votes cast in favour of this resolution by all persons who are eligible to participate in the Employee Incentive Plan (EIP) and any associates of those persons.

However, the Company need not disregard a vote cast in favour of these Resolution if cast 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 Prohibition Statement

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

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

However, the above prohibition does not apply if:

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

Issue of Performance Rights to Directors

7. Resolution 7: Approval for Issue of Performance Rights to Directors

To consider and, if thought fit, to pass each of the following resolutions as a separate **ordinary resolution**:

Resolution 7.1 Approval for the Issue of Performance Rights to Mr Robert Martin

"That, subject to the passing of Resolution 6, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, the issue of up to 6,000,000 Performance Rights to Mr Robert Martin on the terms set out in the Explanatory Statement, be and is hereby approved."

Resolution 7.2 Approval for the Issue of Performance Rights to Mr Jihad Malaeb

"That, subject to the passing of Resolution 6, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, the issue of up to 6,000,000 Performance Rights to Mr Jihad Malaeb on the terms set out in the Explanatory Statement, be and is hereby approved."

Resolution 7.3 Approval for the Issue of Performance Rights to Mr Jeremy Whybrow

"That, subject to the passing of Resolution 6, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, the issue of up to 6,000,000 Performance Rights to Mr Jeremy Whybrow on the terms set out in the Explanatory Statement, be and is hereby approved."

Resolution 7.4 Approval for the Issue of Performance Rights to Mr Michael Leu

"That, subject to the passing of Resolution 6, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, the issue of up to 6,000,000 Performance Rights to Mr Michael Leu on the terms set out in the Explanatory Statement, be and is hereby approved."

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of each of resolutions 7.1, 7.2, 7.3 and 7.4 by a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the EIP and any associates of those persons.

However, the Company need not disregard a vote cast in favour of these Resolutions if cast 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 Prohibition Statement:

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.

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.

Placement Capacity

8. Resolution 8: Special Resolution to Approve Additional 10% Placement Capacity

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

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

Note: this resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

As at the date of this Notice, the Company is not proposing to make an issue of equity securities under ASX Listing Rule 7.1A.2.

Voting Exclusion:

The Company will disregard any votes cast in favour of this resolution by 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 or ordinary securities) or any associates of those persons.

However, the Company need not disregard a vote cast in favour of these Resolution if it cast 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.

Other Business

9. Other Business

To transact any other business which may be legally brought before this Annual General Meeting, in accordance with the Company's Constitution and the *Corporations Act 2001* (Cth).



Robert Martin
Chairman
Force Commodities Limited
16 April 2021

Explanatory Statement

This Explanatory Statement is intended to provide shareholders of Force Commodities Limited (**4CE** or the **Company**) with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact 4CE or seek advice from your professional advisors.

Financial Statements and Reports

Financial Statements and Reports – Financial Year Ended 31 December 2020

The *Corporations Act 2001* (Cth) (the **Corporations Act**) requires the Financial Report, Directors' Report and Auditor's Report for the past financial year to be tabled before the Annual General Meeting, and the Company's Constitution provides for such reports to be received and considered at that meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such Reports. The Annual General Meeting provides a forum for shareholders to ask questions and make comments on the Company's reports and accounts and on the business and operations of the Company for the year ended 31 December 2020.

In addition, at the meeting, shareholders may ask questions of the auditor in relation to the following:

- the conduct of the audit;
- the content of the auditor's report;
- the accounting policies adopted by the Company for the preparation of the financial statements; and
- the auditor's independence in relation to the above items.

Shareholders may view the Company's 2020 Annual Report on the Company's website: www.forcecommodities.com.au

Resolution 1: Non-binding resolution to adopt the Remuneration Report

In accordance with Section 250R(2) of the Corporations Act a resolution that the Remuneration Report be adopted must be put to a vote at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's 2020 Annual Report and is also available from the Company's website.

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;
- sets out the remuneration arrangements in place for each director and for certain members of the senior management team; and
- explains the difference between the bases for remunerating non-executive directors and senior executives.

If Resolution 1 receives a 'No' vote of 25% or more of the votes cast at the meeting, the Company's Remuneration Report for 2021 will include a report on actions taken by the Board in response. The Board will take the outcome of the vote, even if less than 25% 'No' into consideration when reviewing the Company's remuneration policy. A 'No' vote of more than 25% was not received at last year's AGM.

Directors Recommendation

The Directors unanimously recommend that the shareholders vote in favour of adopting the Remuneration Report. The Chairman intends to vote all undirected proxies in favour of Resolution 1.

Voting Exclusion Statement

A Voting Exclusion Statement applies to this Resolution 1 relating to Key Management Personnel identified in the 2020 Annual Report and their Closely Related Parties as these terms are defined in the Corporations Act.

Election of Directors

Resolutions 2, 3 and 4: Ordinary Resolutions to Elect Robert Martin, Michael Leu and Jeremy Whybrow as Directors

The Company's Constitution requires that a director must retire and stand for re-election at the first Annual General Meeting following their appointment unless they have previously stood for re-election at an earlier general meeting. Having been appointed in February 2021, February 2021 and March 2021 respectively, Robert Martin, Michael Leu and Jeremy Whybrow retire and stand for re-election at this Annual General Meeting.

Further information on Robert Martin, Michael Leu and Jeremy Whybrow including their qualifications and experience have been disclosed in the 2020 Annual Report.

Directors Recommendation

The Directors, other than Robert Martin, Michael Leu and Jeremy Whybrow themselves in respect of their own appointments, recommend that shareholders vote in favour of Resolution 2 to re-elect Robert Martin, Resolution 3 to re-elect Michael Leu and Resolution 4 to re-elect Jeremy Whybrow as directors of the Company. The Chairman of the Meeting intends to vote all undirected proxies in favour of Resolutions 2, 3 and 4.

Change of Company Name

Resolution 5: Change of Company Name

The Directors have determined that the proposed change of name to Critical Resources Limited is a rebranding of the Company to better reflect the renewed focus, direction and nature of the Company's operations and aspirations.

Section 157(1)(a) of the Corporations Act provides that a company may change its name if it passes a special resolution adopting a new name.

Resolution 5 seeks the approval of Shareholders for the Company to change its name to Critical Resources Limited.

Resolution 5 is a special resolution.

The proposed name of the Company has been reserved and, if Resolution 5 is passed, the name change of the Company will take effect when ASIC alters the details of the Company's registration.

Employee Incentive Plan

Resolution 6: Adoption of Force Commodities Limited Employee Incentive Plan

6.1 Introduction - resolution regarding new employee incentive scheme

The Company has introduced a new employee share scheme which is presented to Shareholders for approval at this General Meeting.

Resolution 6 relates to the Force Commodities Limited Incentive Plan (EIP), described in more detail below.

The EIP incorporates both broad based equity participation for eligible employees as well as key executive incentive schemes.

If Resolution 6 is not passed, the Company will not be able to introduce the EIP and consequently, Resolution 7 will not be put to the vote of Shareholders.

6.2 Background

A summary of the key terms of the EIP is set out in Annexure A, and a copy of the rules of the EIP is available upon request from the Company.

The purpose of the EIP is to:

- (a) reward directors, employees and consultants of the Company;
- (b) assist in the retention and motivation of directors, employees and consultants of the Company;
and
- (c) provide an incentive to directors, employees and consultants of the Company to grow shareholder value by providing them with an opportunity to receive an ownership interest in the Company.

Shareholder approval of the EIP is being sought for all purposes under the Corporations Act and the Listing Rules, including Listing Rule 7.2 (exception 13), so that securities issued in accordance with the EIP will be excluded from the calculation of the maximum number of new securities that can be issued by the Company in any 12 month period (currently 15% of shares previously on issue) for a period of three years from the date of approval.

The maximum number of equity securities that may be issued under the EIP is 50,945,043. The number of equity securities proposed to be issued under the EIP following approval is 24,000,000 Performance Rights (Resolution 7).

In general terms, the number of shares that may be issued under the EIP is set with regard to the limits prescribed under ASIC Class Order 14/1000 with respect to employee share scheme offers made without a prospectus and made in accordance with a Notice of Reliance (CF 08). These limits provide that the

number of shares that may be issued, when aggregated with a number of shares issued during the previous three years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted to the previous three years under any such employee share scheme), must not exceed 5% of the total number of shares on issue. Certain unregulated offers, including offers to senior managers and overseas residents are excluded.

If this Resolution 6 is approved by Shareholders, it will have the effect of enabling the securities issued by the Company under the EIP to be automatically excluded from the formula to calculate the number of securities which the Company may issue within the 15% in 12 months limit under Listing Rule 7.1 during the next three years period.

This is the first approval sought under Listing Rule 7.2 (exception 13) with respect to the EIP. Accordingly, no securities have previously been issued under the EIP.

Any future issues of securities under the EIP to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

6.3 EIP terms generally

The EIP is a new employee equity plan developed to meet contemporary equity design standards and to provide the greatest possible flexibility in the design and offer choices available in the various new equity schemes.

The EIP enables the Company to offer employees a range of different employee share scheme ("ESS") interests. These ESS interests or awards include options, performance rights, service rights, deferred shares, exempt shares, cash rights and stock appreciation rights.

The type of ESS interest that may be offered to employees will be determined by a number of factors, including:

- the remuneration or incentive purpose;
- the tax jurisdiction that the employee lives and/or works in;
- the laws governing equity incentives where the employee lives and/or works; and
- the logistics and compliance costs associated with offering equity incentives where the employee lives and/or works.

Whenever Shares are acquired under the EIP, they may be acquired and held by an Employee Share Trust ("EST"). The EST will be governed by a trust deed ("EST Trust Deed") outlining the rules of the EST and the responsibilities of the Trustee, the Company and participants and a copy of any EST Trust Deed will be available upon request from the Company. It is not the intention of the company to establish an EST.

6.4 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 6. As stated in the Notice, any vote cast in respect of this resolution by a Director and their respective associates will be disregarded, except as stated in the Notice.

Issue of Performance Rights to Directors

7. Resolution 7: Approval for Issue of Performance Rights to Directors

7.1 General

Subject to the adoption of the EIP (refer to Resolution 6), Resolutions 7.1, 7.2, 7.3 and 7.4 seek Shareholder approval for the issue of Performance Rights to the following Directors (or their respective nominees):

Resolution	Director	Number of Performance Rights
7.1	Mr Robert Martin	6,000,000
7.2	Mr Jihad Malaeb	6,000,000
7.3	Mr Jeremy Whybrow	6,000,000
7.4	Mr Michael Leu	6,000,000

The proposed issue of the Performance Rights forms part of the Company's remuneration strategy for Executive Directors, and Non-Executive Directors in lieu of a portion of cash remuneration. The Performance Rights are proposed to be issued to the Directors in order to provide an equity based component to their respective remuneration packages.

The Board acknowledges that the grant of Performance Rights to Non-Executive Directors is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations (4th Edition). However, the Board considers the proposed issue of the Performance Rights to each of Messrs Martin, Malaeb, Whybrow and Leu to be reasonable in the circumstances in order to further align their interests with that of Shareholders and to provide appropriate remuneration to the Non-Executive Directors and Executive Directors for their ongoing commitment and contribution to the Company whilst minimizing the expenditure of the Company's cash resources.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and consequently, the Directors will not be remunerated by the issue of incentive performance securities. In this case the Company may look to other means of incentivising the Directors, including cash-based incentives.

7.2 Summary of the terms attaching to the Performance Rights

The Performance Rights will vest in three equal tranches, subject to the applicable vesting condition relating to the achievement of a VWAP calculated over 20 consecutive trading days on which the Company's Shares have actually traded.

Tranche	No. of Performance Rights that Vest	Vesting Condition
1	33.33%	VWAP of at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded

2	33.33%	VWAP of at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded
3	33.33%	VWAP of at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded

Each Performance Right that vests will automatically entitle the holder to be issued with one Share. The Performance Rights will be issued for nil cash consideration and no consideration is payable by the holder upon the vesting of a Performance Right.

Any Performance Rights that have not vested on or before the date that is five years after the date of issue will automatically lapse and become incapable of vesting into Shares.

A summary of the material terms of the Performance Rights is attached at Annexure A.

7.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that 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 grant of Performance Rights constitutes giving a financial benefit and Mr Martin, Mr Malaeb, Mr Whybrow and Mr Leu are related parties of the Company by virtue of being a Director.

The Directors (other than Mr Martin who has a material personal interest in Resolution 7.1) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Martin, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Malaeb who has a material personal interest in Resolution 7.2) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Malaeb, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Whybrow who has a material personal interest in Resolution 7.3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Whybrow, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Leu who has a material personal interest in Resolution 7.4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Leu, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

7.4 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a “material personal interest” are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that the Directors comprising the Board have a material personal interest in the outcome of Resolutions 7.1, 7.2, 7.3 and 7.4. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 7.1, 7.2, 7.3 and 7.4 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for Resolutions 7.1, 7.2, 7.3 and 7.4 for the purposes of section 195(4) of the Corporations Act in respect of the reliance on the reasonable remuneration exception and the decision not to seek Shareholder approval under Chapter 2E of the Corporations Act.

7.5 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX’s opinion, such that approval should be obtained.

Accordingly, Shareholder approval is sought for the issue of Performance Rights to Messrs Martin, Malaeb, Whybrow and Leu.

If Resolutions 7.1 to 7.4 are approved by Shareholders, Listing Rule 7.2 (Exception 14) provides that Shareholder approval under Listing Rule 7.1 is not required for issues that have been approved under Listing Rule 10.14. Accordingly, if Resolutions 7.1 to 7.4 are approved, the issue of these Performance Rights to the Directors will not be included in the calculation of the Company’s 15% annual placement capacity for the purposes of Listing Rule 7.1.

7.6 General information on the issue of the Performance Rights

Resolutions 7.1 to 7.4 seek approval from Shareholders to allow the Company to issue the Performance Rights to the Directors (or their nominees) in accordance with the table set out in section 7.1. The Performance Rights are to be issued as part of the Directors’ remuneration package and the issue will allow the Company to appropriately remunerate, and further align with Shareholders, Messrs Martin, Malaeb, Whybrow and Leu, whilst preserving the Company’s limited cash reserves.

The number of Performance Rights proposed to be issued to each Director was determined having regard to the level of remuneration deemed appropriate to attract suitably qualified persons to act as Directors of the Company. As the Performance Rights have a five-year term, it is not expected that there will be annual grants of equity incentives to Directors. Further, it is noted that the Performance

Rights will only vest, and the Directors will only be able to realise value from the grant of the Performance Rights, if there is a substantial appreciation in the Company's share price (noting the Company's share price at the date of this Notice was \$0.016), thereby aligning the interests of Directors with the interests of Shareholders.

If Shareholders approve the issue of the Performance Rights the subject of Resolutions 7.1 to 7.4, and assuming all of the Performance Rights are issued and vest into Shares and no other equity securities are issued or exercised, this will dilute the shareholdings of the Company's existing Shareholders by approximately 2.36% (based on the Company's issued Share capital as at the date of this Notice). The actual dilution will depend on the number of additional Shares that are actually issued and the Company's capital structure at the time of issue.

The total annual remuneration arrangements for the Directors the subject of Resolutions 7.1 to 7.4 (as at the date of this Notice) is as follows:

Director	Position	Salary and fees (per annum)
Robert Martin	Non-Executive Chairman	\$72,000
Jihad Malaeb	Non-Executive Director	\$48,000
Jeremy Whybrow	Non-Executive Director	\$48,000
Michael Leu	Non-Executive Director	\$48,000

The Directors the subject of Resolutions 7.1 to 7.4 have the following relevant interests in the Shares of the Company (as at the date of this Notice):

Director	Number of Shares
Robert Martin	-
Jihad Malaeb	72,708,769
Jeremy Whybrow	-
Michael Leu	-

7.7 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Performance Rights to the Related Parties:

- (i) The following persons (or their respective nominees) are to receive the Performance Rights:

Resolution	Director
------------	----------

7.1	Mr Robert Martin
7.2	Mr Jihad Malaeb
7.3	Mr Jeremy Whybrow
7.4	Mr Michael Leu

(ii) Maximum number of Performance Rights to be issued

If Shareholder approval is granted, the maximum number of Performance Rights that may be granted is 24,000,000 as follows:

Resolution	Director	Number of Performance Rights
7.1	Mr Robert Martin	6,000,000
7.2	Mr Jihad Malaeb	6,000,000
7.3	Mr Jeremy Whybrow	6,000,000
7.4	Mr Michael Leu	6,000,000

Subject to satisfaction of vesting criteria, each Performance Right converts into one Share.

(iii) Value of Performance Rights

The average value of these Performance Rights determined applying a conventional binomial approximation pricing model is \$0.0113 per Performance Right, based on the following inputs as at 15 April 2021:

Risk-free rate: 0.68% (Derived from the 5-year Commonwealth Treasury Bond Rate)

Historical Volatility: 130% (based on the 4CE closing share price for the previous 12 months)

Closing Share Price: \$0.016 (closing ASX price on 15 April 2021)

Dividend Yield: 0.00% (based on actual dividends paid in the previous 12 months)

Based in the above factors, the value of the various tranches of Performance Rights proposed to be issued to the Directors the subject of Resolutions 7.1 to 7.4 is as follows:

	Robert Martin (Resolution 7.1)	Jihad Malaeb (Resolution 7.2)	Jeremy Whybrow (Resolution 7.3)	Michael Leu (Resolution 7.4)	TOTAL
Tranche 1 Subject to vesting condition: VWAP of at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded	\$24,000	\$24,000	\$24,000	\$24,000	\$96,000
Tranche 2 Subject to vesting condition: VWAP of at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded	\$22,000	\$22,000	\$22,000	\$22,000	\$88,000

Tranche 3 Subject to vesting condition: VWAP of at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded	\$22,000	\$22,000	\$22,000	\$22,000	\$88,000
Total	\$68,000	\$68,000	\$68,000	\$68,000	\$272,000

As the vesting of the Performance Rights is subject to vesting conditions linked to the Company's Share price, the Directors will not be able to realise any value from the grant of the Performance Rights unless and until the applicable vesting conditions have been satisfied.

(iv) Price of Performance Rights

The Performance Rights will be granted at no cost to Mr Martin, Mr Malaeb, Mr Whybrow, and Mr Leu. Accordingly, no funds will be raised from the issue of the Performance Rights. Once the Vesting Conditions are met (or waived), the Performance Rights will be automatically exercised for nil consideration. Each Performance Right will convert to one Share.

Importantly, no value will be received by Mr Martin, Mr Malaeb, Mr Whybrow, and Mr Leu if the Performance Rights lapse prior to the vesting date.

(v) Terms and Conditions of Performance Rights

A Performance Right is a right to be issued a Share upon satisfaction of specified performance conditions and prior to the expiry of a vesting period. The performance conditions that are required to be satisfied for the Performance Rights to vest and convert into Shares are as outlined in Annexure B.

(vi) Reporting Requirements

Details of any securities issued under the EIP 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

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the EIP after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

7.8 Number of equity incentives issued under the EIP, persons entitled to participate in the EIP, the date that the Company will grant these equity securities and loans

The EIP, under which securities are proposed to be issued to Mr Martin, Mr Malaeb, Mr Whybrow and Mr Leu, is the subject of adoption under Resolution 7. The Company has not previously issued or granted any securities under the EIP.

Subject to shareholder approval, it is anticipated that the EIP Interests will be granted to Mr Martin, Mr Malaeb, Mr Whybrow and Mr Leu, or their nominee shortly after the Meeting. Irrespective of these intentions, grants of EIP Interests approved by shareholders under this resolution will be issued within 12 months of the date of this Meeting.

In addition to Messrs Martin, Malaeb, Whybrow and Leu, persons entitled to participate under the EIP includes any full time or permanent part time employee or officer or director of the Company or consultant of the Company or any related body corporate of the Company.

Finally, no loan will be provided by the Company in relation to the grant or exercise of the EIP Interests proposed to be issued to Mr Martin, Mr Malaeb, Mr Whybrow and Mr Leu.

7.9 Other Conditions

Unvested EIP Interests may, in certain circumstances, vest early in accordance with the terms of the EIP Rules, and any Leaver's Policy that may apply from time to time, as approved by the Board.

EIP Interests cannot be transferred, disposed of, or have a security interest imposed over them without Board consent.

Any dealing in Shares is subject to the constraints of Australian insider trading laws and the Company's Share Trading Policy. Participants are specifically prohibited from hedging their Company share price exposure in respect of their EIP Interests during the vesting period.

If, in the Board's opinion Mr Martin, Mr Malaeb, Mr Whybrow or Mr Leu have acted fraudulently or dishonestly or are in breach of their material obligations to the Company, the Board may determine that any or all of their EIP Interests which have not yet vested, lapse.

7.10 Directors' Recommendation

The Directors have a vested interest in the proposed issue of Performance Rights and therefore make no recommendation, however they note that the benefit, if any, from the grant of the Performance Rights will only flow if the performance milestone vesting conditions are met triggering the conversion of the Performance Rights, which would be value accretive to all Shareholders. The Directors also consider the quantum of Performance Rights to be reasonable in the circumstances.

As stated in the Notice of Meeting, any vote cast in respect of this resolution by a member of the Board or KMP or any person who participates in the issue of EIP Interests, and their respective associates, will be disregarded, except as stated in the Notice of Meeting.

Placement Capacity

8. APPROVAL of 10% PLACEMENT CAPACITY – Resolution 8

8.1 General

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 8, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in Section 8.2 below).

The effect of Resolution 8 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period

up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 8 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

If Resolution 8 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

8.2 Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

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

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (at the date of this Explanatory Statement) of \$16,302,414.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: 4CE).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 or 7.4; and

(iv) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under Listing Rule 7.1 or 7.4.

8.3 Technical information required by Listing Rule 7.1A

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

(a) Minimum Price

Any equity securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed by the Company and recipient of the securities; or
- (ii) if the securities are not issued within 10 trading days of the date in (i) above, the date on which the securities are issued.

(b) Date of Issue

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following.

- (i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (ii) The time and date of the entity's next annual general meeting.
- (iii) The time and date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2

(c) Risk of voting dilution

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

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities currently on issue.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.008 (50% decrease in issue price)	Funds raised based on issue price of \$0.016 (issue price)	Funds raised based on issue price of \$0.032 (100% increase in issue price)
1,018,900,858 (Current)	101,890,086	\$815,121	\$1,630,241	\$3,260,483
1,528,351,287 (50% increase)	152,835,129	\$1,222,681	\$2,445,362	\$4,890,724
2,037,801,716 (100% increase)	203,780,172	\$1,630,241	\$3,260,483	\$6,520,965

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

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 15 April 2021.
2. The issue price set out above is the last closing price of the Shares on the ASX prior to the date of this Notice.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.

Shareholders should note that there is a risk that:

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

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

As cash consideration in which case the Company intends to apply funds raised towards development of the Company's assets and general working capital (including corporate and administration costs)

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a number of factors, including:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

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

(f) Previous Approval under Listing Rule 7.1A

The Company previously obtained approval under Listing Rule 7.1A at its annual general meeting held on 28 October 2020.

In accordance with Listing Rule 7.3A.6, there has been no equity securities issued in the previous 12 months preceding the date of the Annual General Meeting.

8.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

Directors Recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 8. The approval sought in Resolution 8 can be used for issuing quoted securities for cash consideration and provides further flexibility to the Company should an opportunity arise requiring the issue of new quoted securities. The Chairman of the Meeting intends to vote all undirected proxies in favour of Resolution 8.

9. DEFINITIONS

ASX means ASX Limited ABN 12 145 184 667.

ASIC means the Australian Securities & Investments Commission.

The Company means Force Commodities Limited ACN 145 184 667.

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).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

EIP means the Force Commodities Limited Incentive Plan the subject of Resolution 6.

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

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

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

Explanatory Statement means this Explanatory Statement.

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

Listing Rules means the official listing rules of ASX.

Meeting means the annual general meeting to be held on 27 May 2021.

Notice or Notice of Meeting means the notice of annual general meeting which forms part of this Explanatory Statement.

Ordinary Securities has the meaning set out in the Listing Rules.

Performance Right means a right issued on the terms and conditions set out in Annexure B.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2020.

Resolution means a resolution contained in this Notice.

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

Shareholder means the holder of a Share.

ANNEXURE A

SUMMARY OF EIP KEY TERMS AND KEY POLICY SETTINGS

Eligibility

The Board has the discretion to determine which employees are eligible to participate in the EIP. The definition of employee under the rules of the EIP includes any full time or permanent part time employee or officer or director of the Company or consultant of the Company or any related body corporate of the Company.

Vesting conditions

The vesting of any securities issued under the EIP, excluding Exempt Shares and Stock Appreciation Rights, may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the employee in the individual's offer documents.

Exercise of securities

Vested securities issued under the EIP will not automatically trigger the exercise of the securities, but a participant will be entitled to exercise in accordance with the terms contained in the invitation to the individual.

Price

Securities issued under the EIP may be issued at no cost to the participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in the individual's offer documents.

Lapse/forfeiture

Securities issued under the EIP will lapse or be forfeited on the earliest of:

- any expiry date applicable to the securities;
- any date which the Board determines that vesting conditions applicable to the securities are not met or cannot be met;
- the participant dealing in respect of the securities in contravention of the EIP; and
- the Board determining that a participant has committed an act of fraud, is ineligible to hold the office for the purposes of Part 2D.6 of the Corporations Act, or is found to have acted in a manner that the Board considers to constitute gross misconduct.

Board may elect to settle in cash

If the Board determines that it is not appropriate for tax, legal, regulatory or compliance reason to issue or transfer Shares upon satisfaction of its obligations under the plan, the Company may make a cash payment to the participant in accordance with the terms of the plan.

Waiving the restricted period

The Board may waive or shorten the restriction period applicable to securities issued under the EIP, as contained in the offer to the participant.

Change of Control

On the occurrence of a Change of Control (as defined in the rules of the EIP), the Board will determine, in its sole and absolute discretion, the manner in which vested and unvested securities issued under the EIP shall be dealt with.

Cessation of employment

All unvested securities issued under the EIP lapse immediately on termination of employment unless any Leaver's Policy applies or the Board determines otherwise depending on the circumstances.

No dealing or hedging

Dealing restrictions apply to securities issued under the EIP in accordance with the rules of the EIP and the Company's share trading policy. Participants are prohibited from hedging or otherwise protecting the value of unvested securities issued under the EIP.

Rights attaching to Shares

Shares issued under the plan will rank equally for dividends and other entitlements, be subject to any restrictions imposed under these rules and otherwise rank equally with the existing Shares on issue at the time of allotment.

Company may issue or acquire shares

Company may, in its discretion, either issue new shares or acquire shares already on issue, or a combination of both, to satisfy the Company's obligations under the EIP.

Adjustments

Prior to the allocation of shares to a participant upon vesting or exercise of securities issued under the EIP, the Board may make any adjustment it considers appropriate to the terms of securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

Limits on securities issued

The number of shares that may be issued under the EIP is set with regard to the limits prescribed under ASIC Class Order 14/1000 with respect to employee share scheme offers made without a prospectus and made in accordance with a Notice of Reliance (CF 08). These limits provide that the number of shares that may be issued, when aggregated with a number of shares issued during the previous three years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted to the previous three years under any such employee share scheme), must not exceed 5% of the total number of shares on issue. Certain unregulated offers, including offers to senior managers and overseas residents are excluded.

An overall limit of 15% for employee share scheme (ESS) offers is imposed.

Continued operation of the plan

The plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the listing rules.

ANNEXURE B

TERMS AND CONDITIONS ON PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Performance Right will automatically convert into one new ordinary fully paid share in Force Commodities Limited on satisfactory achievement of the following condition (**Vesting Condition**):
 - (a) **Tranche 1:** The Company achieves a VWAP of at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded
 - (b) **Tranche 2:** The Company achieves a VWAP of at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded
 - (c) **Tranche 3:** The Company achieves a VWAP of at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
 - (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five-year anniversary from the date of grant.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights, in aggregate, convert into not being more than 10% of the issued ordinary capital of Force Commodities Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.

- (xii) **No other rights:** The Performance Rights give 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.

Change of Control means a person who does not control the Company at the time the Performance Rights are issued achieving control of more than 50% of the ordinary voting securities in the Company.