

General Meeting – Notice and Proxy Form

4 May 2021

Dear Shareholder

Notice is given that a meeting of shareholders of Red Emperor Resources NL (Company) will be held at 10:00am (*Perth time*) on Friday, 4 June 2021 at Level 1, 35 Richardson Street, West Perth (Meeting).

The Australian government has implemented and continues to implement measures to contain or delay the spread of COVID-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company's Notice of Meeting, the Company will notify Shareholders accordingly via the Company's website and the Company's ASX announcements page. Any Shareholders who plan to physically attend the Meeting should closely monitor these platforms for any updates from by the Company in regard to attending the Meeting in person and alternative arrangements.

Accordingly, the Directors strongly encourage all shareholders to lodge a directed proxy form prior to the Meeting and appoint the Chair as their proxy.

In accordance with ASIC's no action position on convening meetings electronically, the Company will not be despatching hard copies of notice of the Meeting (Notice of Meeting). Instead, the Notice of Meeting and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically.

For those shareholders who have provided an email address and elected to receive electronic communications from the Company, an email has been sent to the nominated email address with a link to an electronic copy of the Meeting Materials and the proxy form/voting instruction form.

For those shareholders who have not made such an election, a copy of your personalised proxy form is enclosed for your convenience and you can access the Meeting Materials online at the Company's website <https://redemperorresources.com/> (News and Reports tab > ASX Announcements).

The Meeting Materials can also be accessed online at the Company's ASX Market announcements page at <https://www2.asx.com.au/markets/trade-our-cash-market/announcements> under the Company's ASX code "RMP".

If you are unable to access the Meeting Material online, please contact the Company's share registry, Computershare Investor Services Pty Ltd on, 1300 850 505.

Yours sincerely



Aaron Bertolatti
Company Secretary
Red Emperor Resources NL

Red Emperor Resources NL
(to be renamed Future Metals NL)
ACN 124 734 961

Notice of General Meeting

Notice is given that the Meeting will be held at:

Time: 10:00am (WST)
Date: 4 June 2021
Place: Level 1
35 Richardson Street
West Perth WA 6005

Due to the current COVID-19 restrictions, persons proposing to attend the Meeting in person are requested to contact the Company by email at info@redemp.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

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 7:00pm (Sydney time) on 2 June 2021.

Business of the Meeting

1. Resolution 1 – Change to the nature and scale of activities.

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

"That, subject to and conditional upon the passing of all the Essential Resolutions, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the nature and scale of its activities resulting from completion of the Acquisition, as described in the Explanatory Statement."

Short Explanation: If successful, the Acquisition will result in the Company changing the nature and scale of its activities. ASX Listing Rule 11.1.2 requires the Company to seek Shareholder approval where it proposes to make a significant change to the nature and scale of its activities. The Company will also be required to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a counterparty to the Acquisition, and any other person who will obtain a material benefit as a result of the Acquisition (except a benefit solely by reason of being a holder of the Company's ordinary securities), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

2. Resolution 2 – Consolidation of capital

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

"That, subject to and conditional upon the passing of all the Essential Resolutions, pursuant to section 254H of the Corporations Act, clause 10.1(b) of the Constitution, ASX Listing Rules 7.21 and 7.22.1 and for all other purposes, all Securities be consolidated at a ratio of 14:100 and where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole Security."

3. Resolution 3 – Change of Company Name

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

"That, subject to and conditional upon the passing of all the Essential Resolutions, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to "Future Metals NL".

4. Resolution 4 – Issue of Consideration Securities – Panton Project

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

“That, subject to and conditional upon the passing of all the Essential Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 175,000,000 Consideration Shares and 87,500,000 Vendor Options (all on a post-Consolidation basis) to the GNP Vendors (or their nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any 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) or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

5. Resolution 5 – Issue of Shares under the Capital Raising

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

“That, subject to and conditional upon the passing of all the Essential Resolutions, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Shares at \$0.10 per Share (on a post-Consolidation basis), to raise \$10,000,000 on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: The Company must issue a prospectus in order to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules and as a condition of the Company's securities recommencing trading on the ASX following the Acquisition. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any 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) or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

6. Resolution 6 – Issue of Options to Nominated Adviser

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

“That, subject to and conditional upon the passing of all the Essential Resolutions, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 6,000,000 Adviser Options (all on a post-Consolidation basis) to the Nominated Adviser or its nominee(s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any 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) or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

7. Resolution 7 – Approval to Issue Securities to a Related Party under the Capital Raising – Greg Bandy

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

“That, subject to and conditional on the passing of all the Essential Resolutions, for the purposes of ASX Listing Rule 10.11, approval is given for the Company to issue up to 1,000,000 Shares to Greg Bandy (or his nominee(s)) pursuant to his participation in the Capital Raising, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Greg Bandy or his nominee(s), or any person who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

8. Resolution 8 – Approval to Issue Securities to a Related Party under the Capital Raising – Aaron Bertolatti

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

“That, subject to and conditional on the passing of all the Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue

of up to 250,000 Shares to Aaron Bertolatti (or his nominee(s)) pursuant to his participation in the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Aaron Bertolatti or his nominee(s), or any person who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

9. Resolution 9 – Approval to Issue Securities to a Related Party under the Capital Raising – Jason Bontempo

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

“That, subject to and conditional on the passing of all the Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 1,000,000 Shares to Jason Bontempo (or his nominee(s)) pursuant to his participation in the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Jason Bontempo or his nominee(s), or any person who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

10. Resolution 10 – Approval to Issue Securities to a Related Party under the Capital Raising – Justin Tremain

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

“That, subject to and conditional on the passing of all the Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 1,000,000 Shares to Justin Tremain (or his nominee(s)) pursuant to his participation in the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Justin Tremain or his nominee(s), or any person who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

11. Resolution 11 – Approval to issue Director Performance Rights to a Related Party – Greg Bandy

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

“That, subject to the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Greg Bandy (or his nominee(s)) 8,000,000 Director Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Red Emperor Performance Rights Plan, or an associate of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may 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 be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted 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 the remuneration of a member of the Key Management Personnel.

12. Resolution 12 – Approval to issue Director Performance Rights to a Related Party – Aaron Bertolatti

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

“That, subject to the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Aaron Bertolatti (or his nominee(s)) 1,000,000 Director Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Red Emperor Performance Rights Plan, or an associate of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may 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 be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted 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 the remuneration of a member of the Key Management Personnel.

13. Resolution 13 – Approval to issue Director Performance Rights to a Related Party – Justin Tremain

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

“That, subject to the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Justin Tremain (or his nominee(s)) 8,000,000 Director Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Red Emperor Performance Rights Plan, or an associate of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may 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 be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted 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 the remuneration of a member of the Key Management Personnel.

14. Resolution 14 – Approval to issue Director Performance Rights to a Related Party – Allan Mulligan

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

“That, subject to the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Allan Mulligan (or his nominee/s) 3,000,000 Director Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Red Emperor Performance Rights Plan, or an associate of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may 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 be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted 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 the remuneration of a member of the Key Management Personnel.

15. Resolution 15 – Approval to issue Director Performance Rights to a Related Party – Robert Mosig

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

“That, subject to the passing of the Essential Resolutions, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Robert Mosig (or his nominee/s) 2,000,000 Director Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Red Emperor Performance Rights Plan, or an associate of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may 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 be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted 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 the remuneration of a member of the Key Management Personnel.

16. Resolution 16 – Enable the issue of Performance Rights under an Employee Incentive Scheme – Red Emperor Performance Rights Plan

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given to enable the Company to issue Options under the employee incentive scheme titled Red Emperor Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is eligible to participate in the Red Emperor Performance Rights Plan, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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 the remuneration of a member of the Key Management Personnel.

17. Resolution 17 – Replacement of Constitution

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

“That, for the purposes of section 136(2) and 136(1)(b) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chair for identification purposes.”

Dated: 28 April 2021

By order of the Board

A handwritten signature in black ink, appearing to read 'Greg Bandy', written in a cursive style.

**Greg Bandy
Managing Director**

Voting in person

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

Voting by proxy

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 changes to the Corporations Act made in 2011 mean that:

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on + 61 8 9212 0102.

United Kingdom (CREST Voting Instructions)

DI Holders in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "CREST Voting Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 28 May 2021 at 9:00am (GMT). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. DI Holders in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time.

In this connection, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

United Kingdom (Form of Instruction)

DI Holders are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, DI holders must complete, sign and return the Forms of Instruction forwarded to them along with the Notice to the Company's agent, Computershare UK, by 28 May 2021 at 9:00am (GMT).

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.

Resolutions 1 to 5 and 17 inclusive are **Essential Resolutions** and must be passed for the Acquisition to proceed. If any of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Acquisition and other matters contemplated by this Notice will not be completed.

1. Proposed acquisition of the Panton Project

1.1 Background

Red Emperor listed on ASX in 2007 as a mineral exploration company. Its initial projects were copper and gold exploration projects in Western Australia. In 2011, the Company changed its focus to oil and gas exploration and completed a re-compliance with the ASX initial listing requirements. It was also admitted to quotation on AIM in 2011. The Company has since then had interests as a joint venturer in onshore and offshore oil and gas exploration projects in Somalia, Georgia, the Philippines, and the United States of America.

The Company's most recent oil and gas exploration project was an interest in the Western Blocks of the Alaska North Slope with joint venturers 88 Energy Limited and Otto Energy Limited. This project was relinquished by the operator during Q2 2020.

As announced to ASX on 25 March 2021, the Company has entered into a Heads of Agreement (**Acquisition Agreement**) with the major shareholders of Great Northern Palladium Pty Ltd (ACN 645 861 196) (**GNP**) to acquire 100% of the issued share capital of GNP (**the Acquisition**) for all share consideration and the issue of certain options as detailed further below.

GNP holds 80% of the issued share capital of Panton Sill Pty Ltd (ACN 157 842 530) (**Panton Sill**). Panton Sill holds the granted mining leases that cover the Panton PGM Project (**Panton PGM Project** or **Panton**) located approximately 60 kilometres north of Halls Creek in the East Kimberley region of Western Australia. The remaining 20% of Panton Sill is held by Panoramic Resources Limited (ASX: PAN) (**Panoramic**). Panoramic has granted an option to GNP for it to acquire the remaining 20% interest in Panton Sill (**Panton Option**), as detailed further below. Upon completion of the Acquisition, Red Emperor intends to exercise the Panton Option such that it would become the ultimate 100% owner of the Panton PGM Project.

The Acquisition has been deemed to constitute a change to the nature and scale of the Company's activities for the purposes of the ASX Listing Rules. ASX Listing Rule 11.1.2 requires the Company to seek Shareholder approval where it proposes to make a significant change to the nature and scale of its activities. ASX has also advised the Company that it will be required to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3.

The Company has also been evaluating transaction structuring options with its Nominated Adviser from a UK perspective and in light of certain differences between the requirements of the ASX Listing Rules and the AIM Rules for Companies (**AIM Rules**) and the general chronology, processes and requirements of the two stock exchanges, the Board considers it to be in the best interests of the Company and its shareholders as a whole to seek cancellation of the admission to trading of the Company's ordinary shares on AIM (**Cancellation**) in order to facilitate and ensure the timely implementation of the Acquisition and associated fundraising in Australia on the ASX on the commercial terms and timeframe agreed with the major shareholders of GNP.

Accordingly, as announced to ASX on 20 April 2021, Cancellation is scheduled to occur at 7.00 a.m. (London time) on 19 May 2021 and in accordance with the guidance notes to AIM Rule 41, shareholder consent in a general meeting of the Company is not required as the Company is

maintaining its listing on ASX, being an AIM Designated Market as defined in the AIM Rules. It is expected that trading on AIM will remain suspended until the Cancellation. It is currently intended that re-admission to trading on AIM for the enlarged entity will then be sought as soon as practicable (targeting July 2021) following successful completion of the Acquisition and capital raising on the ASX in order to restore the enlarged entity's dual listing at the earliest opportunity. There can be no guarantee that the Company will be able to complete the Acquisition or any alternative transaction and consequently be re-admitted to trading on AIM.

An overview of the Panton Project is outlined in Section 1.3 and a summary of the terms and conditions of the Acquisition Agreement is set out in Schedule 4.

1.2 Summary of Resolutions

The Acquisition is conditional on (amongst other things) the Company obtaining all necessary Shareholder and regulatory approvals to effect the Acquisition. This Notice sets out the Resolutions necessary to complete the Acquisition and associated transactions contemplated by the Acquisition Agreement. The Essential Resolutions are inter-conditional on each other Essential Resolution being approved. If any of the Essential Resolutions are not approved by Shareholders at the Meeting, none of them will take effect and completion of the Acquisition (**Completion**) will not occur.

A summary of the Essential Resolutions is as follows:

- (a) Resolution 1 seeks Shareholder approval for the change to the nature and scale of the Company's activities as a result of the Acquisition;
- (b) Resolution 2 seeks Shareholder approval for the Company's issued capital being consolidated on the basis that every 100 Shares and Options be consolidated into fourteen (14) Shares and Options (as applicable) (**Consolidation**);
- (c) Resolution 3 seeks Shareholder approval to change the Company's name to "*Future Metals NL*".
- (d) Resolution 4 seeks Shareholder approval to issue 175,000,000 Shares (**Consideration Shares**) and 87,500,000 Options (**Vendor Options**), (all on a post-Consolidation basis) (together, the Consideration Securities) to the GNP Vendors (or their nominees) at Completion;
- (e) Resolution 5 seeks Shareholder approval to issue up to 100,000,000 Shares at \$0.10 per Share (on a post-Consolidation basis), (**Capital Raising Shares**), to raise up to \$10,000,000 via a prospectus (**Capital Raising**); and
- (f) Resolution 17 seeks Shareholder approval to adopt a new Constitution.

Other information considered material to a Shareholder's decision on whether to vote in favour of the Essential Resolutions is set out in this Explanatory Statement. Shareholders are advised to read this information carefully.

1.3 Overview of the Panton PGM Project

Panton PGM Project, Western Australia

Location

The Panton PGM Project is located 60 kilometres north of Halls Creek and just 1 kilometre off the Great Northern Highway, in the East Kimberley Region of Western Australia (refer to Figure One). The Great Northern Highway also provides direct access to the Port of Wyndham.

The Panton PGM Project is held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km².

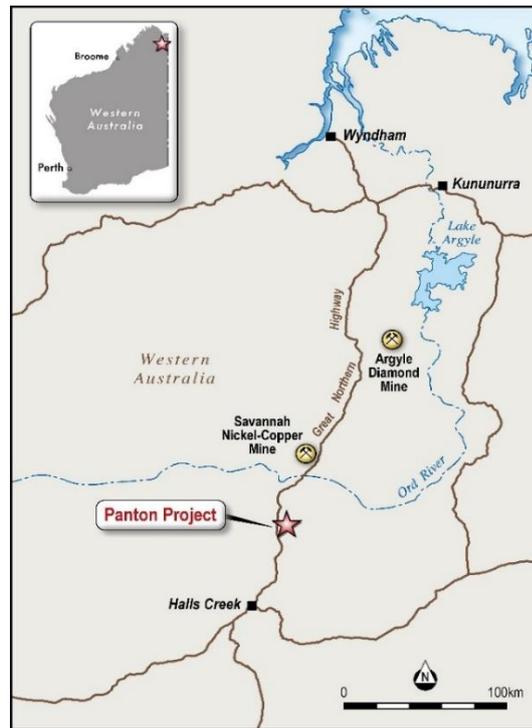


Figure One | Project Location

Mineral Resource Estimate ¹

Past exploration and drilling, predominantly undertaken by Platinum Australia Ltd (**Platinum Australia**) in the early 2000s, resulted in the delineation of a Mineral Resource Estimate (MRE) for the deposit undertaken by Cube Consulting Pty Ltd (**Cube**) in April 2003. In August 2015, Cube reviewed and re-reported its 2003 MRE model to report the MRE in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves 2012 (**JORC 2012**). The focus of the JORC 2012 MRE was on two of the chromite layers known as the Top (101) and Middle (201) Reefs, domained into the A, B, C and D blocks (refer to Figure Two):

Resource	Tonnage	Grade					Metal (oz)	
		Pt	Pd	Au	Ni	Cu	Pt	Pd
		(g/t)	(g/t)	(g/t)	(%)	(%)	(oz 000s)	(oz 000s)
<u>Top Reef</u>								
Measured	4,400,000	2.46	2.83	0.42	0.28	0.08	348	400
Indicated	4,130,000	2.73	3.21	0.38	0.31	0.09	363	426
Inferred	1,560,000	2.10	2.35	0.38	0.36	0.13	105	118
<u>Middle Reef</u>								
Measured	2,130,000	1.36	1.09	0.10	0.18	0.03	93	75
Indicated	1,500,000	1.56	1.28	0.10	0.19	0.04	75	62
Inferred	600,000	1.22	1.07	0.10	0.19	0.05	24	21
Total	14,320,000	2.19	2.39	0.31	0.27	0.08	984	1,081

¹ The Company announced the Mineral Resource Estimate referred to in this paragraph in its announcement entitled "Proposed acquisition of +2Moz Panton PGM Project" on 25 March 2021, which included the Competent Person statements and consents required by Listing Rule 5.22. The Company is not aware of any new information that materially affects the information included in that announcement, and all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

Table One | JORC 2012 Mineral Resource Estimate by Cube (August 2015)

The MRE was based on previous drilling at Panton comprising historical diamond drilling (30 holes or 9,524 metres completed prior to 2001), reverse circulation (**RC**) (29 holes for 2,366 metres) and more recent diamond drilling (166 holes for 34,410 metres) completed by Platinum Australia. The MRE also included surface trenching and underground channel samples (1,391 metres) conducted by Platinum Australia between 2001 and 2003 in an exploration decline which accessed the upper chromite reef.

No significant exploration has been conducted on the Panton PGM Project for almost 20 years.

The modelled chromite reefs have an unfolded strike length of approximately 3.5 kilometres. Historical drilling has been focused on the A, B, C and D chromite reefs and an approximate 8.5 kilometres of mapped PGM-bearing chromite reefs remain largely untested by drilling.

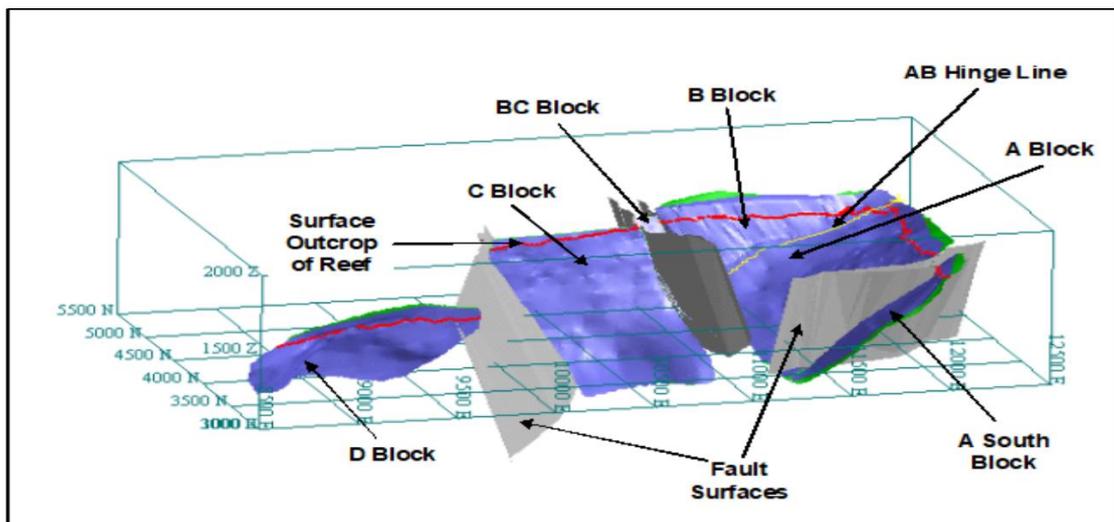


Figure Two | Resource Wireframes showing the Panton 101 and 201 reef system

The Panton mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive. High-grade PGM mineralisation is hosted within two stratiform chromite reefs, the Top (101) and Middle (201) reefs, within the ultramafic sequence. The Panton deposit is analogous to the chromite reefs in the Bushveld Complex of South Africa which are the world's largest source of PGMs. However, a key point of difference of Panton is the higher palladium grade relative to platinum grade. Historically, this has been a disadvantage to the Panton PGM Project given that palladium prices have historically been significantly below platinum prices. Presently, the palladium price is approximately twice the platinum price.

Project History

The Panton deposit was discovered by the Geological Survey of Western Australia from surface mapping conducted in the mid-1960s. Pickland Mather and Co. drilled the first hole to test the mafic-ultramafic complex in 1970, followed by Minsaco Resources which drilled 30 diamond holes between 1976 and 1987. In 1989, Pancontinental Mining Limited and Degussa Exploration drilled a further 32 drill holes and defined a non-JORC compliant resource. Platinum Australia acquired the project in 2000 and conducted the majority of the drilling, comprising 166 holes for 34,410 metres, leading to the delineation of a maiden JORC Mineral Resource Estimate. In late 2006, Sally Malay Mining Limited (now Panoramic) entered into a joint venture arrangement with Platinum Australia seeking to develop the Panton PGM Project.



Figure Three | Exploration Portal and Decline Access

A feasibility study was completed by Platinum Australia in 2003 and reviewed in March 2012 which assumed metal prices of A\$890/ounce and A\$2,000/ounce for palladium and platinum respectively.

Panoramic subsequently purchased the Panton PGM Project from Platinum Australia in May 2012 and conducted a wide range of metallurgical test work programmes on the Panton ore.

Geology

The Panton Complex is a layered mafic-ultramafic intrusion which is a 10km long and 2.5km wide, south-west plunging synclinal layered intrusion situated within the Central Zone of the Halls Creek Orogen of Western Australia (refer to Figures One and Five). The Panton Complex displays many geological similarities to the Bushveld Complex in South Africa on a smaller scale.

The lower 750 metres of the Panton intrusion comprises a massive variable olivine orthocumulate ultramafic intrusive phase, primarily dunite, with various other phases recognised including wehrlite, lherzolite and harzburgite. Various stratiform reefs of PGM-bearing cumulate chromitite-magnetite occur in the lower ultramafic phase at Panton. Horizons vary in thickness from 0.2 metres to 8 metres in thickness and multiple stacked reefs are common. The majority of historic drilling has been focused on the ultramafic-hosted chromite reefs of the A, B and C zones in the northern part of the Panton Complex (refer to Figures Two and Five). These reefs are interpreted to be very similar to the 'Plat-reef style' mineralisation that occurs at the ultramafic base of the Bushveld Complex (refer to Figure Four).

The top 900 metres of the Panton intrusion comprises mainly layered mafic phases that vary from gabbro, gabbro-norite, and norite and then transitions upward to anorthosite and leucogabbro through to a ferrogabbro or magnetite-bearing gabbro at the top of the sequence (refer to Figure Five). PGM-bearing stratiform reefs are known to occur within the upper layered mafic sequences however these reefs have received much less exploration attention. These upper chromite-reefs are interpreted to occur in a similar geological setting to the 'Merensky-style' chromite reefs that occur primarily at the top of the anorthosite package known as the 'Upper Critical Zone' in the Bushveld Complex (refer to Figure Four). The Merensky Reefs of the Bushveld Complex have been the principal source of mined PGMs to date. Interestingly, more recently in the Bushveld, much thicker zones of the Merensky Reef have been mined that are known as 'potholes'. The formation of these extremely rich 'pot-holes' are poorly understood but are extremely important from an economic perspective.

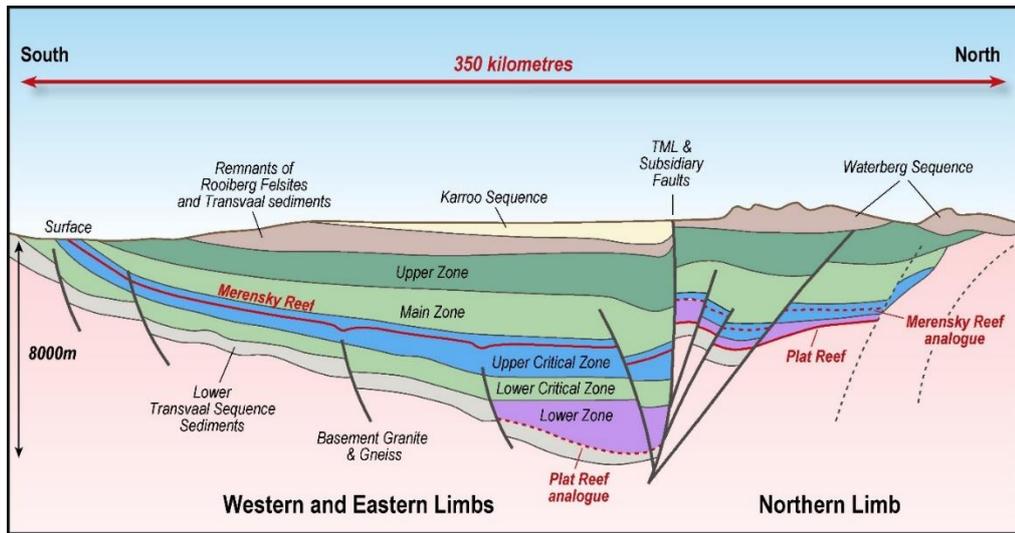


Figure Four | North-South Oriented Cross section of the Bushveld Layered Mafic-Ultramafic Complex

The Panton Complex has been folded into a syncline such that the shallowest chromite reefs occur around the outer edges and become deeper towards the centre of the complex (refer to Figure Five). The syncline axis is interpreted to plunge toward the southwest. In addition to folding, the Panton Complex has been subject to several stages of faulting, many of which offset the chromite reefs including a major north-south oriented fault that offsets the C zone to the south which is now known as the D zone (refer to Figure Five).

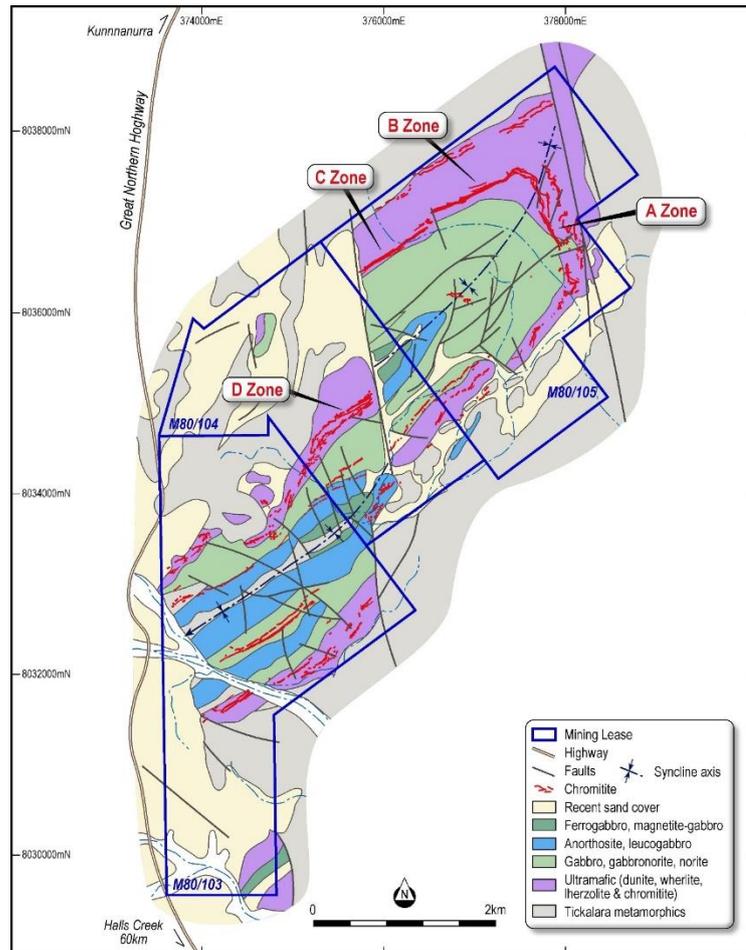


Figure Five | Panton PGM Project's Geology and Mapped Outcropping PGM-bearing Chromite Reefs

Sampling and Sub-sampling Techniques

Diamond drill core, Reverse Circulation (RC) chips and surface trench channel sampling are the three primary sample types. A relatively small number of samples were from decline, wall and face sampling undertaken in an exploration decline. Diamond core is the predominant sample type (HQ, HQ3, NQ and NQ2 sizes) and was orientated, geologically logged and sampled to lithological contacts or changes in the nature of mineralisation. Nominal sample lengths of 1.0m with a minimum sample length of 0.25m. NQ and NQ2 core was half core sampled. HQ and HQ3 core was quarter core sampled. RC chips sampled at 1m or 0.5m intervals. Trench channel chip sampling was undertaken from the base or as close to the base of the trench as possible. Each trench was sampled continuously over the entire length. Sample lengths varied from 0.15m to 2m. Sample boundaries were based on geological contacts and changes in the nature of mineralisation. Decline sampling, wall and face sampling was undertaken on geologically marked up channels approximately 1.5m from the floor. Sampled intervals varied from 0.25 to 0.5m across the full width of mineralisation.

Resource Classification

Resource blocks have been classified as Measured, Indicated or Inferred on the basis of a range of criteria. The key criteria considered were geological continuity and confidence in reef volume; data spacing and distribution; appropriateness of the modelling technique; and estimation quality parameters such as search strategy, number of informing composite data, average distance from informing composites and kriging variance.

Data spacing within the most densely drilled area of the project ranges from 25x25 to 50x100 metres.

Measured Resources are defined where geological continuity risk is considered low, confidence in metal continuity is considered high due to the data spacing; and where the estimation quality is high as indicated by a low estimation block variance (within the first 30th percentile). Generally, the Measured part of the Mineral Resource blocks has been estimated using 10 or more composite data at an average distance of less than 200 metres (within the modelled range of most variograms).

Indicated Resources are defined where geological and metal continuity risk is considered moderate to low. Generally, the Indicated part of the Mineral Resource blocks has been estimated using 6 or more composite data at an average distance of less than 300 metres (within the modelled range of some of the variograms).

Inferred Resources are defined by that area of the Mineral Resource where there is moderate confidence in the continuity of the geological model and metal where drill spacing is wider than 200m by 200m.

Sample Analysis

The standard assaying techniques used were lead or nickel collection fire assay with a Mass Spectrometry (MS) finish for Au, Pd, Pt and peroxide fusion using HCl acid to dissolve the melt with an Optical Emission Spectrometry (OES) finish for As, Co, Cr, Cu, Ni and S. These methods are considered total digestion methods. A fire assay nickel sulphide collection technique was preferred (for samples containing chromite) to lead collection as it is efficient in collecting all PGEs and gold from a sample.

Estimation Methodology

The estimation methodology used was Ordinary Kriging.

Variogram ranges and search distances were defined in the vertical plane, with ranges for all attributes estimated significantly exceeding the data spacing in all domains.

A search radius was optimised for each domain based on the special statistics of the variogram model. The search orientation and anisotropy were based on the modelled variogram for each domain.

Estimation block size used was 50m x 50m in long section projection.

No assumptions of specific selective mining units were made as it was assumed that full seam width mining would be undertaken.

The mineralised domain acted as a hard boundary to control the Mineral Resource volume and estimate.

Block model validation was undertaken using the comparison of block model estimate to drill hole data composites of horizontal width and density weighted mean grades.

A validation estimate was undertaken using inverse distance squared and compared to the OK estimate.

Cut-off Grade

No low-grade cut-off was used for reporting. The mineralisation was defined using a combination of geological information and grade criteria and the reported estimated grades represent a total metal content of mineralised material – all of which was expected to be mined, without selectivity due to the thin vein nature and high value of the mineralisation.

Mining and Other Material Modifying Factors

Mining of the deposit is envisaged to be by open pit and underground methods. An assumption of non-selective total vein width mining was made in the estimation, no other mining factors were considered during the interpretation and 2D modelling of the mineralisation however mining dilution and mining loss are likely to be material factors in a combination of small open pit and underground exploitation. Minimum mining widths were not considered during the interpretation and 2D modelling of the mineralisation. No assumptions were made regarding environmental restrictions.

Metallurgy

Platinum Australia's feasibility study was based on a proposed processing plant incorporating standard crushing-grinding-flotation to produce a low grade concentrate which was then to be treated onsite through a patented Calcine-Leach-Metals Recovery process developed by Platinum Australia and Lonmin Plc.

Following acquisition of the project in 2012, Panoramic conducted a variety of metallurgical test work on Panton ore in order to establish the best processing strategies for the deposit. The test work comprised the following work programmes:

- Various laboratory flotation test work programmes at various grind sizes;
- Ore sorting test work to selectively remove waste rock;
- Magnetic separation processes; and
- QEMScan analysis for the identification of ore minerals.

Red Emperor intends to appoint a metallurgical and processing consultant with experience in PGMs to assess in detail the results of the previous test work and provide recommendations for further work in order to define the most effective technique for the extraction of PGMs from the Panton ore.

Tenure

The Panton PGM Project is located on three granted Mining Leases. Panton Sill is the registered holder of a 100% interest in each of the Mining Leases:

Lease	Date of Grant	Expiry Date	Area
M80/103	17 March 1986	16 March 2028	8.6km ²
M80/104	17 March 1986	16 March 2028	5.7km ²
M80/105	17 March 1986	16 March 2028	8.3km ²

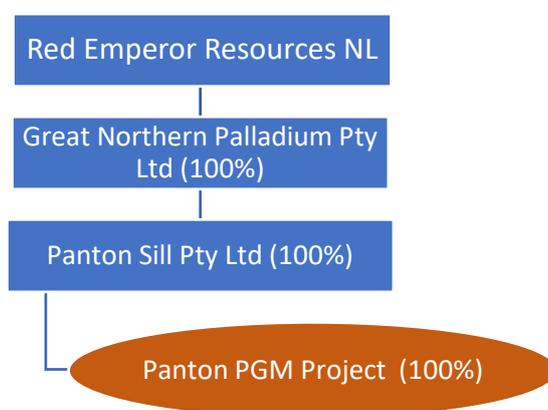
There are two historical royalty holders pursuant to agreements entered into by former owners of the Panton PGM Project unrelated to Red Emperor or GNP. A 0.5% net smelter return royalty is payable to Elemental Royalties Australia Pty Ltd in respect of any future production of chrome, cobalt, copper, gold, iridium, palladium, platinum, nickel, rhodium and ruthenium and a 2% net smelter return royalty is payable to Maverix Metals (Australia) Pty Ltd on any PGMs produced from the mining licences.

The three Mining Leases were granted pre-Native Title Act in Australia and hence are free of native title claim.

The previous owners of the Panton PGM Project have undertaken a substantial amount of work understanding the baseline conditions for flora, fauna, hydrology and waste characterisation. Such historic work will require updating but studies to date have not identified anything considered to be detrimental to obtaining future environmental approvals.

1.4 Group structure

A group structure diagram is set out below, which assumes Completion and that the Panton Option is also exercised:



Note: A number of dormant wholly-owned subsidiaries have been omitted.

1.5 Board Composition

It is currently intended that Messrs Bandy and Bertolatti will continue as directors following the Acquisition, Messrs Justin Tremain, Allan Mulligan and Robert Mosig will be appointed as non-executive Directors and that Mr Jason Bontempo will resign, all on Completion.

(a) **Existing Directors**

Greg Bandy, Executive Chairman

Mr Bandy is currently Managing Director of the Company.

Aaron Bertolatti, Finance Director

Mr Bertolatti is currently a Director and Company Secretary.

(b) **Proposed Directors**

Justin Tremain, Proposed Non-Executive Director

Mr Tremain is an experienced company director with extensive expertise across the mineral resources sector. His experience covers equity capital markets and promotion, resource project acquisition, exploration and resource delineation, feasibility studies and project development financing.

He is currently Managing Director of West African gold explorer Manas Resources Ltd where he was appointed in December 2020 to reinvigorate and grow the company. He is also Non-Executive Director of Caspin Resources Ltd, a successful IPO that listed on the ASX in November 2020.

Prior to becoming involved in the management of ASX listed resource companies from early 2010, Justin had over 10 years investment banking experience in the metals and mining sector with NM Rothschild & Sons, Investec and Macquarie Bank.

He was previously the Managing Director of Exore Resources Ltd (**Exore**). He joined Exore in January 2018 as a 'shell company' and identified and led the acquisition of a gold exploration portfolio in Cote d'Ivoire, West Africa. Exore acquired the Cote d'Ivoire portfolio for circa A\$3.5 million in October 2018 and undertook an immediate, aggressive exploration programme that resulted in the discovery and delineation of a maiden JORC Resource. Less than 2 years from acquiring the Cote d'Ivoire projects, Exore was acquired by Perseus Mining Ltd in September 2020 for a value of circa A\$80 million by way of a Scheme of Arrangement.

Prior to Exore, Mr Tremain founded Renaissance Minerals Ltd (**Renaissance**) in June 2010 and served as its Managing Director until its takeover by Emerald Resources NL (**Emerald**) in November 2016. During his tenure, Justin was responsible for growing Renaissance from a grass roots Western Australian gold explorer into a gold development company in the frontier jurisdiction of Cambodia. The company delineated a JORC Resource of over 1Moz at the Okvau Gold Deposit in Cambodia and completed feasibility studies for the development of the project before Renaissance was acquired by Emerald. Upon completion of the Emerald takeover, Justin joined the Board of Emerald as Executive Director and remained in that role until January 2018.

Justin also founded Berkut Minerals Ltd (now Carnaby Resources Ltd) which was listed on the ASX in 2018 and he served as its Chairman and Non-Executive Director until March 2020. He has also previously served as Non-Executive Director of Fin Resources Ltd and Odin Metals Ltd, both until July 2020.

Robert Mosig, Proposed Non-Executive Director

Mr Mosig is a geologist with over 30 years' experience in platinum group metals, gold and diamond exploration. His experience includes exploration using geology, geochemistry, geophysics and drilling; ore resource drilling and calculation; metallurgical and engineering evaluation and environmental and economic evaluations; mining and processing. He was also the founding director of both ASX listed Helix Resources and Platinum Resources Limited and is currently the CEO of Caeneus Minerals Limited.

Allan Mulligan Proposed Non-Executive Technical Director

Mr Mulligan is a mining engineer with over 35 years of management and production experience in mining operations, mine start-up and construction that culminated in management roles in large scale platinum and gold mines.

Allan has specialised in technical assessment and production economics, feasibility studies, project design and costing of underground mines and prospects. He has worked extensively in exploration, mine development and operations across Africa and Australia. Allan's experience includes 14 years with Lonmin Plc in a variety of senior and technical mine management roles. He previously served as a representative of Lonmin Plc on the Board of Platinum Australia Ltd, a previous owner of the Panton PGM Project.

1.6 Acquisition Agreement

A summary of the terms of the Acquisition Agreement is set out in Schedule 4.

1.7 Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

The Acquisition requires Shareholder approval under ASX Listing Rule 11.1.2 and cannot proceed if approval under that rule is not forthcoming.

Pursuant to ASX Listing Rule 11.1.3, the Company is required to re-comply with Chapters 1 and 2 of the ASX Listing Rules prior to the Company completing the Acquisition.

For this purpose, the Company will be required to re-comply with the conditions of listing on ASX set out in Chapters 1 and 2 of the ASX Listing Rules in order to achieve Completion and before it can be re-instated to trading on ASX following Completion. The Acquisition may not proceed if these requirements are not met.

ASX has an absolute discretion in deciding whether or not to re-admit the Company to the official list and to quote its securities, and therefore the Acquisition may not proceed if ASX decides to exercise that discretion.

Investors should take into account these uncertainties in deciding whether or not to buy or sell the entity's securities.

1.8 ASX Listing Rules disclosures

The Company has undertaken appropriate enquiries into the Panton Project for the Board to be satisfied that the Acquisition is in the interests of the Company and its security holders.

ASX takes no responsibility for the contents of this Notice.

The Company confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1.

Recent Issues of Securities

Red Emperor has not issued any equity securities in the last two years.

GNP was incorporated on 12 November 2020 for the purpose of acquiring the Panton PGM Project from Panoramic. GNP raised a total of A\$12,500,000 from sophisticated and professional investors by an issue of new GNP shares at A\$1.00 each. This fundraising took place between 30 November 2020 and 7 December 2020.

Controlling Shareholder Issues

No person will acquire control of, or voting power over 20% or more in, the Company as a result of the Acquisition and Capital Raising.

1.9 ASX waivers and confirmations

Listing Rule 2.1 Condition 2

ASX Listing Rule 2.1 Condition 2 provides that it is a condition of quotation of the main class of a company's securities of an entity seeking admission to ASX that the issue price of the securities for which the company seeks quotation must be at least 20 cents in cash. In addition, ASX Listing Rule 1.1 Condition 12 provides that for an entity to be admitted to the Official List, the exercise price for any options on issue must be at least 20 cents in cash.

ASX has granted the Company a waiver from the requirements outlined above to enable the Company to issue Shares for the purpose of satisfying ASX Listing Rule 2.1, Condition 2 at \$0.10 per Share (on a post-Consolidation basis), together with a waiver from ASX Listing Rule 1.1 Condition 12 to have up to 99,500,000 Options on issue with an exercise price less than \$0.20 each. These waivers are subject to the following conditions:

- (a) the issue price of the Capital Raising Shares is not less than \$0.10 per Share and the exercise price of the Options is not less than \$0.10 each;
- (b) the terms of the waivers are disclosed to the market and, along with the terms and conditions of the Capital Raising Shares or Options (as the context requires), are clearly disclosed in the Notice of Meeting and in the prospectus to be issued in respect of the Capital Raising (refer to disclosure at Sections 3.6 and 5.5(c) and Schedules 2 and 3);
- (c) the Company completes a consolidation of its capital structure in conjunction with the Acquisition such that the securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of suspension of the Company's securities from official quotation, to achieve a market value of its securities of not less than \$0.10 each (this will be satisfied by Shareholders approving Resolution 2); and
- (d) Shareholders approving the exercise price of the Options in conjunction with the approval obtained under ASX Listing Rule 11.1.2 for the Acquisition (refer to Resolutions 1-3 and 4-6 and Section 3.6).

Listing Rule 10.13.5

The Company is seeking Shareholder approval under ASX Listing Rule 10.11 for the issue of certain securities to related parties in relation to their participation in the Capital Raising, and which are only to be issued if and when all other securities are issued at Completion. ASX Listing Rule 10.11 requires an issue of equity securities to a related party to be completed within one month of the securityholders' meeting at which the approval is obtained. ASX has granted the Company a waiver from ASX Listing Rule 10.13.5 to enable the Company to state in the Notice that these securities will be issued at the same time as securities to be issued under the Capital Raising, rather than within one month after the date of the Meeting, subject to the following conditions:

- (a) these securities are issued by no later than the date the Capital Raising Shares are issued, which must be no later than 3 months after the date of the Meeting;
- (b) these securities are issued pursuant to the relevant terms and conditions set out in the Notice of Meeting;
- (c) the circumstances of the Company, as determined by ASX, have not materially changed since the Shareholders approved the issue of these securities; and
- (d) the terms of this waiver are clearly disclosed in the Notice of Meeting and the prospectus to be issued in respect of the Capital Raising.

Listing Rule 6.1 – Performance Rights

ASX has confirmed that the terms of the Performance Rights proposed to be issued to Directors and Proposed Directors pursuant to Resolutions 11 to 15 are appropriate and equitable under Listing Rule 6.1, subject to the following conditions:

- (a) The Company obtains Shareholder approval for the issue of the Performance Rights and the notice of the meeting seeking shareholder approval (**Notice**) and the prospectus issued in connection with the Capital Raising include:

- (i) the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
- (ii) any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity;
- (iii) in respect of those Performance Rights proposed to be issued to directors of the Company:
 - A. a statement that Performance Rights are being issued to remunerate or incentivise a director or employee and are not ordinary course of business remuneration securities;
 - B. details of the role (if any) the director or employee will play in meeting the respective performance milestones;
 - C. details of the existing total remuneration package of the director or employee;
 - D. if the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
 - E. an explanation why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone;
 - F. details of how the Company determined the number of Performance Rights to be issued to the director or employee and why it considers that number to be appropriate and equitable;
- (iv) The number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure.
- (v) The full terms of the Performance Rights, including that:
 - A. The Performance Rights are not quoted.
 - B. The Performance Rights are not transferrable.
 - C. The Performance Rights do not confer any right to vote, except as otherwise required by law.
 - D. The Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.
 - E. The Performance Rights do not carry an entitlement to a dividend.
 - F. The Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
 - G. The Performance Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company.
 - H. Each Performance Right is converted into one fully paid ordinary share on achievement of the relevant milestone.
 - I. If the relevant class of Performance Right is not converted into a share by the relevant expiry date then all the Performance Rights must lapse.

- (b) The Company makes an announcement immediately upon the satisfaction of any milestones, the conversion of any of the Performance Rights and the expiry of any of the Performance Rights.
- (c) The terms and conditions of the Performance Rights, including without limitation the relevant milestones that have to be satisfied before each Performance Right is converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
- (d) Upon conversion of the Performance Rights into ordinary shares, the Company will apply to ASX for quotation of the shares within the requisite time period.
- (e) The Company discloses the following in each annual report, annual audited financial accounts, half- yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
 - (i) The number of Performance Rights on issue during the relevant period;
 - (ii) A summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary Rights into which they are convertible and the relevant milestones.
 - (iii) Whether any of the Performance Rights were converted or cancelled during that period; and
 - (iv) Whether any milestones were met during the period.
- (f) The Company discloses the following in Part 5 of each Appendix 2A lodged by the Company while any of the Performance Rights remain on issue:
 - (i) The number of Performance Rights on issue at the time of lodgement of the Appendix 2A; and
 - (ii) The conversion ratio of the Performance Rights into ordinary shares upon achievement of a vesting condition.

1.10 Consolidation

The Company proposes to undertake the consolidation of its Shares on a 14:100 basis, as set out in further detail in Section 3 (**Consolidation**).

Approval for the Consolidation is the subject of Resolution 2.

1.11 Capital Raising

For the purposes of re-complying with Chapters 1 and 2 of the ASX Listing Rules and to meet the conditions of the Acquisition Agreement, the Company proposes to conduct the Capital Raising to raise \$10,000,000 via the issue of 100,000,000 Shares at an issue price of \$0.10 per Share (on a post-Consolidation basis). The Capital Raising will be conducted under a prospectus to be prepared by the Company (**Prospectus**).

The Company has engaged 708 Capital Pty Ltd as lead manager with respect to the Capital Raising (**Lead Manager**).

1.12 Proposed capital structure

The indicative share capital structure of the Company following Completion, based on the current securities on issue and including the proposed Capital Raising, will be as follows (subject to rounding following the Consolidation):

	Shares	Options	Performance Rights
Current (pre Consolidation)	525,292,776	6,000,000 ¹	-
Subtotal post-Consolidation (14:100 ratio)	73,540,988	840,000 ¹	-
Securities to be issued under the Capital Raising ²	100,000,000	Nil	-
Consideration Securities to be issued to GNP Vendors	175,000,000	87,500,000 ³	-
Performance Rights to be issued to the Directors and Proposed Directors	-	-	22,000,000 ⁴
Total	348,540,988	88,340,000	22,000,000
Adviser Options to be issued to NOMAD on re-admission to trading on AIM	-	6,000,000 ⁵	-
Total	348,540,988	94,340,000	22,000,000⁶

Notes:

- The number of existing unlisted Options, and the effect that the Consolidation will have on the terms of the existing unlisted Options, is as set out in the tables below.

Pre-Consolidation

Terms	Number
Unlisted Options exercisable at A\$0.05 on or before 15 January 2022	6,000,000
Total	6,000,000

Post-Consolidation

Terms	Number
Unlisted Options exercisable at A\$0.357 on or before 15 January 2022	840,000
Total	840,000

- Assuming the issue of all available Shares under the proposed Capital Raising and an issue price per Share of A\$0.10 (post-Consolidation).
- The Options to be issued pursuant to the terms of the Acquisition to the GNP Vendors (or their nominee/s) will be exercisable at a price of A\$0.10 on or before the date 3 years after their date of issue and otherwise on the terms and conditions set out in Schedule 2.
- The Performance Rights to be issued (subject to receiving, Shareholder approval) to the Directors and Proposed Directors will be in three equal tranches (subject to rounding) and expire 3 years after their date of issue. The tranches of Performance Rights will vest upon achievement of the following share price hurdles:
 - Class A: 20 day VWAP of A\$0.15 per share or above.
 - Class B: 20 day VWAP of A\$0.20 per share or above.
 - Class C: 20 day VWAP of A\$0.25 per share or above.

The full terms and conditions of the Performance Rights are set out in Schedule 5.
- The Adviser Options to be issued to the Nominated Adviser (or its nominee/s) will be exercisable at a price of A\$0.12 on or before the date 3 years after their date of issue and otherwise on the terms and conditions set out in Schedule 3. The Adviser Options are to be issued to the Nominated Adviser in conjunction with the Company's re-admission

to trading on AIM, which is not anticipated to occur before the Company's reinstatement to official quotation on ASX. Accordingly the Adviser Options will not be on issue as at the date of reinstatement to quotation on ASX.

6. The Company is implementing the Red Emperor Performance Rights Plan (refer to Resolution 16 and Section 10). The Company may issue additional Performance Rights pursuant to that Plan to employees or consultants that are unrelated parties of the Company as part of their remuneration packages. Details of such issues will be announced as and when required in accordance with the Listing Rules.

1.13 Pro forma statement of financial position

The Company's pro-forma statement of financial position as at Completion is set out in Schedule 1. This is based on the Company's reviewed financial statements for the half year ended 31 December 2020, adjusted for completion of the Acquisition and the Capital Raising, and issue of all Securities contemplated by this Notice.

The unaudited pro-forma statement of financial position has been prepared for illustrative purposes only and gives effect to the transactions described in the notes to the pro-forma statement of financial position and the assumptions described therein as if they had occurred as at 31 December 2020.

The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Revenue forecasts relating to mineral exploration companies are uncertain, and accordingly the Company is unable to provide investors with reliable revenue, profit, or cash flow projections or forecasts, including as a result of the Acquisition.

Copies of the audited accounts of the Company for its financial year ended 30 June 2020 and auditor reviewed (but unaudited) accounts for the half year ended 31 December 2020 are available on the Company's website at <https://redemperorresources.com>.

GNP is a recently formed company (incorporated on 12 November 2020) and has not yet produced any financial statements. Such accounts will be produced and audited in conjunction with the preparation of the Prospectus for the Capital Raising, including the Independent Limited Assurance Report required under the ASX Listing Rules.

1.14 Indicative use of funds

The Company intends to apply funds raised under the Capital Raising, together with its existing cash reserves, over the first two years following re-admission of the Company to the Official List of ASX as follows:

Use of funds	Proposed Capital Raising A\$10,000,000 (Minimum and Maximum subscription amount)	%
Existing cash reserves of the Company as at 31 December 2020 ¹	A\$4,225,863	29.7%
Gross funds to be raised under the Capital Raising	A\$10,000,000	70.3%
TOTAL	A\$14,225,863	100%
Costs of the Offer/Acquisition – Australia/ASX	A\$1,067,834	7.5%

Potential costs of the Offer/Acquisition and readmission to AIM – UK/AIM ²	A\$1,104,262	7.8%
Panton Option consideration	A\$3,000,000	21.1%
Estimated duty liability on the Acquisition and exercise of the Panton Option ³	A\$1,755,495	12.3%
<i>Exploration and development expenditure, as follows:</i>		
• Drilling of extensions	A\$2,000,000	14.1%
• Metallurgical testwork	A\$500,000	3.5%
• Updating BFS	A\$1,000,000	7.0%
• Other technical studies	A\$500,000	3.5%
Assessment of complementary assets or projects	A\$500,000	3.5%
Administration costs	A\$2,000,000	14.1%
Working Capital	A\$798,272	5.6%
TOTAL	A\$14,225,863	100%

Notes:

- The cash reserves for Great Northern Palladium Pty Ltd as at 31 December 2020 have not been included on the basis that it is expected that the remaining cash reserves will have been spent by completion of the Acquisition on such matters as exploration expenditure commitments on the tenements and general operating costs.
- The process of the Company's re-admission to trading on AIM is not anticipated to be completed until after the Company's securities have been reinstated to official quotation on ASX.

Expenditure	£	AUD/GDP	A\$
AIM fees	23,386	0.56	41,761
UK Broker/Corporate Advisory Fees	200,000	0.56	357,143
Nomad and Financial Adviser	200,000	0.56	357,143
Legal advisers to Nomad and/or Financial Adviser & Broker	40,000	0.56	71,429
Legal advisers to Company (UK law)	75,000	0.56	133,929
Competent Person's Report	35,000	0.56	62,500
UK Reporting Accountant	30,000	0.56	53,571
Printing of admission document	5,000	0.56	8,929
Registrars / other	10,000	0.56	17,857
	618,386		1,104,262

- This includes the estimated duty payable for the Acquisition, the exercise of the option to acquire the remaining interest in Panton Sill Pty Ltd and the estimated duty payable included as a liability (trade and other payables) of Great Northern Palladium Pty Ltd as at 31 December 2020.

1.15 Indicative timetable

An indicative timetable for the Acquisition and the associated Capital Raising is set out below:

Event	Date
Lodgement of the Prospectus with the ASIC	14 May 2021
Prospectus offer opens	14 May 2021

Shareholders' meeting to approve the Acquisition	4 June 2021
Prospectus offer closes	10 June 2021
Issue of Consideration Securities and Shares under the Capital Raising	11 June 2021
Despatch of holding statements	14 June 2021
Re-quotation on the ASX	16 June 2021

1.16 Board's intentions upon Completion

In the event that Completion occurs, the Company proposes to:

- (a) carry out exploration activities on the Panton Project; and
- (b) allocate funds raised from the Capital Raising, together with the Company's existing cash reserves as set out in Section 1.14.

1.17 Advantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Acquisition represents an attractive opportunity for the Company to change its focus to mineral exploration;
- (b) the Acquisition Agreement requires the Company to complete a capital raising to raise \$10,000,000 which will provide the Company with sufficient funds to implement the proposed exploration program; and
- (c) the potential increase in market capitalisation of the Company following Completion and the associated Capital Raising may lead to increased coverage from investment analysts, access to improved equity capital market opportunities and increased liquidity, which are not currently present.

1.18 Disadvantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Company will be changing the focus of its exploration activities to mineral exploration, which may not be consistent with the objectives of all Shareholders;
- (b) the Acquisition will result in the issue of the Consideration Securities and Capital Raising Shares, all of which will have a dilutionary effect on the holdings of Shareholders;
- (c) in connection with the Acquisition, the Company has been required to engage a number of advisers, lawyers and experts to facilitate and report on the Acquisition, which represent sunk, but necessary, costs to the Company; and
- (d) there are additional risk factors associated with the change in nature of the Company's activities resulting from the Acquisition. Some of the key risks are summarised in Section 1.19.

1.19 Risk factors

Shareholders should be aware that if the Acquisition is approved and Completion occurs, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from the Acquisition Agreement and other agreements.

The risks and uncertainties described below are not intended to be exhaustive. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers immaterial, which may affect the Company. Based on the information available, a non-exhaustive list of risk factors for the Company, associated with the Acquisition is set out below.

(a) Risks relating to the change in nature and scale of activities

(i) Completion risk

Pursuant to the Acquisition Agreement, the Company has agreed to acquire 100% of the issued capital of GNP, completion of which is subject to the fulfilment of certain conditions. There is a risk that the Conditions Precedent cannot be fulfilled and, in turn, that Completion does not occur.

If the Acquisition is not completed, the Company will incur costs relating to advisers and other costs without any material benefit being achieved.

(ii) Re-quotations of Shares on ASX

The Acquisition constitute a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotations of its securities on the ASX. Should this occur, the securities will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

(b) Risks in respect of the Pantan Project

(i) Information Accuracy Risk

The Company will be acquiring mining information from the GNP Vendors which has been compiled by previous explorers on the Projects. Any inaccuracies in that information could adversely affect the Company's ability to implement its planned exploration program.

(c) Industry Specific Risks

(i) Exploration and Operating Risk

The tenements the subject of the Pantan PGM Project (**Tenements**) are still subject to exploration. Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of the Tenements, or any other mineral licences that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will depend upon:

- A. the Company's ability to maintain title to the Tenements;
- B. the Company being able to delineate economically mineable resources and reserves;
- C. positive movements in the price of platinum group metals and exchange rate fluctuations;
- D. the Company obtaining all consents and approvals (including environmental approvals) necessary to conduct its exploration activities; and
- E. the successful management of development operations.

In the event that the Company's exploration programs prove to be unsuccessful, this could lead to a diminution in the value of the Panton PGM Project, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

Until the Company is able to realise value from its Project, it is likely to incur ongoing operating losses.

(ii) Metallurgy risk

whilst historical test work has been undertaken, further metallurgical test work is required to determine if a saleable product can be produced from the Panton ore. There is no guarantee such a product may be produced in an economically viable way.

(iii) Resources and Reserves

There is a Resource estimate in respect of the Project. There are currently no Reserve estimates in respect of the Project. Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(iv) Commodity Price Volatility and Exchange Rate Risk

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company.

Such factors include supply and demand fluctuations for platinum group metals, technological advancements, forward selling activities and other macroeconomic factors (such as inflation, interest rates, currency exchange rates and global and regional demand for and supply of platinum group metals).

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(v) Environmental Risks

The operations and proposed activities of the Company in Australia are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

There is also a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

(vi) Title Risks and Native Title

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements or renewal of tenements will be approved.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. The existing Mining Leases constituting the Panton Project were granted prior to the enactment of the Native Title Act 1993 (Cth) and are not subject to any native title rights or interests. In respect of any other tenements that the Company may acquire, if native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

(vii) Exploration Costs

The exploration costs of the Company as set out in Section 1.14 (Indicative use of funds) are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(viii) Mine Development

Possible future development of mining operations at the Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on the Project, its operations may be disrupted by a number of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full, should the Project reach that stage.

(ix) Climate

There are a number of climate related factors that may affect the operations and proposed activities of the Company, including, the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market challenges related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(d) **General risks**

(i) Additional requirements for capital

The funds to be raised under the Capital Raising are considered sufficient to meet the immediate objectives of the Company and implementation of the Company's strategy. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

Following completion of the Capital Raising, the Company may seek to raise further funds through equity or debt financing, joint ventures, or other means. Failure to obtain sufficient financing for the Company's activities may result

in delay and indefinite postponement of its activities and strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to shareholders.

(ii) Reliance on key personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(iii) Economic and financial market risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- A. general economic outlook;
- B. interest rates and inflation rates;
- C. currency fluctuations;
- D. changes in investor sentiment toward particular market sectors;
- E. the demand for, and supply of, capital; and
- F. terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(iv) Taxation

The acquisition and disposal of securities will have tax consequences which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities in the Company from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective Advisers accept no liability and responsibility with respect to the taxation consequences of acquiring or disposing of securities in the Company.

(v) Force majeure

The Company, now or in the future, may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(vi) Trading price of Shares

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(vii) Government Policy Changes

Adverse changes in government policy or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the jurisdictions where the Company's assets are or will be located may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(viii) Litigation Risk

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. The Company may also be involved in disputes with third parties in the future which may result in litigation. Should any such claim or dispute be determined not in the Company's favour, this may impact adversely on the Company's operations, financial performance and financial position.

As at the date of this Notice, the Company is not involved in any litigation.

(ix) Insurance

The Company intends to obtain insurance for its operations in accordance with industry practice. However, the Company's insurance may not be of a nature or level to provide adequate insurance against all possible risks to the Company. The occurrence of an event that is not fully covered by insurance could have a material adverse effect on the Company.

Insurance of all risks associated with mineral exploration or production is not always available, and where available, the costs of such insurance may be prohibitive.

The above list of risk factors should not be taken as being exhaustive of the risks faced by the Company or investors in the Company. The above risk factors, and others not specifically mentioned may in the future materially affect the financial performance of the Company and the value of securities in the Company. Securities in the Company carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Any investment in the Company is highly speculative.

1.20 Intentions if the Acquisition is not approved

If the Conditions Precedent under the Acquisition Agreement are not satisfied or waived, including if all of the Essential Resolutions are not passed, the Acquisition will not proceed. The Company will seek alternative investment opportunities to build Shareholder value.

The Company would be liable to be removed from the official list 2 years after the date of its suspension from official quotation (22 January 2021) if it does not achieve reinstatement to official quotation. ASX may decide to remove the Company from the official list under ASX Listing Rule 17.5 earlier than that date.

1.21 Directors' interests in the Acquisition

None of the Company's existing Directors have any interest in the Acquisition.

1.22 GNP Vendors

None of the GNP Vendors, or any associates of such persons, are related parties of the Company or hold a substantial interest in the Company's securities.

1.23 Conditionality of Essential Resolutions

All Essential Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the Meeting. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Acquisition Agreement and other matters contemplated by the Resolutions will not be completed pursuant to this Notice.

Resolutions 6 to 15 relating to the issue of securities to advisers and related parties, are conditional on the Essential Resolutions being passed, but the Essential Resolutions are not conditional on those Resolutions being passed.

Resolution 16 (to enable the issue of Performance Rights under the Red Emperor Performance Rights Plan to be exempt from using placement capacity under ASX Listing Rule 7.1) is not conditional on any of the other Resolutions.

1.24 Directors' recommendations and voting intentions

Based on the information available, including that contained in this Explanatory Statement and the advantages and disadvantages outlined above, the current Directors consider that the Acquisition is in the best interests of the Company and its Shareholders and recommend that Shareholders vote in favour of each of the Essential Resolutions.

None of the current Directors hold any interest in GNP.

The Company has undertaken appropriate enquiries into the assets constituting, the liabilities appertaining to, and the prospects of, the Project being acquired, for the Board to be satisfied that the Acquisition is in the interest of the Company and its shareholders.

1.25 Fees paid or payable in connection with finding, arranging or facilitating the Acquisition

Other than as disclosed in this Notice, there are no fees payable to any person in connection with finding, arranging, or facilitating the Acquisition or Capital Raising.

The consideration payable to the GNP Vendors under the Acquisition Agreement is set out in Section 5 and the proposed fees payable to the Lead Manager in respect of the Capital Raising are set out in Section 6.

The Company proposes to seek Shareholder approval for the issue of Director Performance Rights to certain Directors and Proposed Directors as set out in Section 9, but those proposed issues are not in connection with finding, arranging or facilitating the Acquisition.

2. Resolution 1 – Change to nature and scale of activities

2.1 General

Resolution 1 seeks approval from Shareholders for the Acquisition.

As set out above, the Acquisition will constitute a change in the nature of the Company's activities from oil and gas exploration in different jurisdictions worldwide, to mineral exploration in Australia.

A detailed description of the Panton Project is outlined in Section 1.1. A summary of the terms and conditions of the Acquisition Agreement is set out in Schedule 4.

2.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the entity were applying for admission to the Official List.

ASX has indicated to the Company that the change in the nature and scale of the Company's activities as a result of the Acquisition requires the Company, in accordance with ASX Listing Rule 11.1.2, to obtain Shareholder approval, and the Company must comply with any requirements of ASX in relation to the Notice of Meeting.

2.3 Suspension continues until re-compliance with Chapters 1 and 2 of the ASX Listing Rules

ASX has also indicated to the Company that the change in the nature and scale of the Company's activities constituted by the Acquisition requires the Company (in accordance with ASX Listing Rule 11.1.3) to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules (including any ASX requirement to treat the Company's Securities as restricted Securities).

If the Essential Resolutions are approved at the Meeting, it is expected that the Company's Securities will remain suspended from quotation until the Company has completed the Acquisition Agreement and re-complied with Chapters 1 and 2 of the ASX Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Essential Resolutions are not approved at the Meeting, the Acquisition will not proceed, and the Company's Securities are expected to remain suspended from Official Quotation.

3. Resolution 2 – Consolidation of capital

3.1 Background

Resolution 2 seeks Shareholder approval for the Company to undertake a consolidation of capital on a 14:100 basis (**Consolidation**). If Resolution 2 is passed and excluding any Securities issued pursuant to the other Resolutions, the number of:

- (a) Shares on issue will be reduced from 525,292,776 to 73,540,988 (subject to rounding); and
- (b) Options on issue will be reduced from 6,000,000 to 840,000 (subject to rounding).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and to assist in complying with Chapters 1 and 2 of the ASX Listing Rules, which is required to obtain re-instatement of its Shares to trading on the Official List of ASX on Completion.

The Directors intend to implement the Consolidation prior to Completion and prior to the proposed issues of Securities pursuant to the Acquisition and the Capital Raising, but the Consolidation will only occur if Shareholders approve all Essential Resolutions.

Resolution 2 is an ordinary resolution, and is subject to and conditional upon the passing of all other Essential Resolutions.

3.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

The ASX Listing Rules also require that the number of Options on issue be consolidated in the same ratio as the ordinary capital and the exercise price of Options be amended in inverse proportion to that ratio.

3.3 Fractional entitlements

Not all Security Holders will hold that number of Shares or Options (as the case may be) which can be evenly divided by 100/14. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

3.4 Taxation

It is not considered that any taxation implications will exist for Security holders arising from the Consolidation. However, Security Holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

3.5 Holding statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

3.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table in Section 1.12.

3.7 Indicative timetable*

If Resolution 2 is passed, the reduction of capital will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the ASX Listing Rules):

Action	Date
Company announces Consolidation.	25 March 2021
Company sends out Notice of Meeting.	4 May 2021
Company tells ASX that Shareholders have approved the Consolidation. Effective date of Consolidation.	4 June 2021
Last day for pre-Consolidation trading. <i>Note: The Company's securities have been suspended from quotation since before this date, and will remain suspended as at this date and there will be no actual trading throughout the period of the Consolidation being carried out.</i>	7 June 2021
Post-Consolidation trading starts on a deferred settlement basis.	8 June 2021
Record Date. Last day for Company to register transfers on a pre-Consolidation basis.	9 June 2021
First day for Company to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold.	10 June 2021
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements.	
Last day for Company to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold and to notify ASX that this has occurred.	17 June 2021
Deferred settlement market ends.	

4. Resolution 3 – Change of Company Name

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

Resolution 3 seeks the approval of Shareholders for the Company to change its name to "Future Metals NL" subject to Completion.

If Resolution 3 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 3 is passed, the Company will lodge a copy of the special resolution with ASIC on Completion in order to effect the change.

5. Resolution 4 – Issue of Consideration Securities

5.1 General

This Resolution seeks Shareholder approval for the issue of the following Securities (all on a post-Consolidation basis):

- (a) 175,000,000 Consideration Shares; and
- (b) 87,500,000 Vendor Options on the terms and conditions set out in Schedule 2;

(together, the **Consideration Securities**) pursuant to the Acquisition Agreement.

Resolution 4 is an ordinary resolution and is subject to and conditional upon the passing of all the Essential Resolutions.

5.2 ASX Listing Rule 7.1

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

5.3 Effect of the Resolution

The effect of Resolution 4 will be to allow the Company to issue the Consideration Securities during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will be unable to issue the Consideration Securities and the Acquisition Agreement will not be able to be completed and it is likely that the Company's securities will remain suspended from official quotation on ASX until such time as the Company can demonstrate to ASX that it has activities sufficient to satisfy ASX Listing Rule 12.1.

5.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

5.5 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 the issue of the Consideration Securities:

- (a) the Consideration Securities will be issued to the GNP Vendors (or their nominee/s) in proportion to their shareholding in GNP at Completion. The GNP Vendors are not related parties of the Company or associates;
- (b) the maximum number of Consideration Securities (all on a post-Consolidation basis) to be issued at Completion is:
 - (i) 175,000,000 Shares; and
 - (ii) 87,500,000 Vendor Options.
- (c) the Consideration Securities to be issued will be issued on the following terms:
 - (i) the Shares will be fully paid ordinary shares in the capital of the Company issued

- on the same terms and conditions as the Company's existing Shares; and
- (ii) the Vendor Options will be issued on the terms and conditions set out in Schedule 2;
 - (d) the Consideration Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Consideration Securities will occur on the same date;
 - (e) the Consideration Securities will be issued as consideration under the Acquisition Agreement;
 - (f) the purpose of the issue of the Consideration Securities is provide consideration to the GNP Vendors under the Acquisition Agreement. No funds will be raised from the proposed issue of the Consideration Securities; and
 - (g) the Consideration Securities are to be issued pursuant to the Acquisition Agreement, a summary of which is set out in Schedule 4.

6. Resolution 5 – Issue of Securities under the Capital Raising

6.1 General

Resolution 5 seeks Shareholder approval for the issue of 100,000,000 Shares (on a post-Consolidation basis) (**Capital Raising Shares**) at an issue price of \$0.10 per Share to raise \$10,000,000 (before costs) (the **Capital Raising**). The minimum and maximum offer under the Prospectus will be \$10,000,000.

The Capital Raising will be undertaken via the issue of the Prospectus to assist the Company in complying with Chapters 1 and 2 of the ASX Listing Rules, which is required to obtain re-instatement of its Shares to trading on the Official List of ASX following Completion.

The Company has been granted a waiver to enable the Company to undertake the Capital Raising at no less than \$0.10 per Share, and to have Options on issue with an exercise price less than \$0.20. The waiver is subject to conditions as set out in Section 1.9.

The Company proposes to engage 708 Capital to manage the Capital Raising. The Company will pay the Lead Manager (or its nominee/s) a fee of up to 6% (plus GST) based on the amount raised under the Capital Raising. Once an engagement is entered, further details (if any) of the agreement with the Lead Manager will be disclosed in the Prospectus.

For the purposes of the ASX Listing Rules, none of the subscribers for the Capital Raising Shares to be issued under the Capital Raising will be related parties of the Company or their associates, other than, subject to Shareholder approval of Resolutions 7 to 10, the issue of a total of up to 3,250,000 Capital Raising Shares (on a post-Consolidation basis) to directors Greg Bandy, Aaron Bertolatti and Jason Bontempo and Proposed Director Justin Tremain, or their respective nominees.

The minimum subscription under the Capital Raising will be \$10,000,000 (**Minimum Subscription**). It is noted that the Capital Raising Shares will only be issued if:

- (a) the Minimum Subscription is raised;
- (b) the Company has received conditional approval from ASX for the Company to be reinstated to official quotation on ASX following the Company's compliance with ASX Listing Rule 11.1.3 and Chapters 1 and 2 of the ASX Listing Rules; and
- (c) the issue occurs contemporaneously with Completion, which requires, amongst other things, the passing of all Essential Resolutions.

Further details of the Capital Raising will be set out in the Prospectus.

Resolution 5 is an ordinary resolution and is subject to the passing of all the Essential Resolutions.

6.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 5.2.

6.3 Effect of the Resolution

The effect of this Resolution will be to allow the Company to issue the Capital Raising Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will be unable to complete the Capital Raising and in turn will not be able to complete the Acquisition and it is likely that the Company's securities will remain suspended from official quotation on ASX.

6.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

6.5 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 the Capital Raising:

- (a) the Capital Raising Shares are proposed to be issued pursuant to a public offer by way of the Prospectus for the purpose of ASX Listing Rule 1.1 condition 3. Allottees of the Capital Raising Shares will be determined from the applicants under the Prospectus by the Company in conjunction with the Lead Manager, and the identity of the applicants under the Prospectus is currently not known. None of the subscribers for the Capital Raising will be related parties of the Company other than Greg Bandy, Aaron Bertolatti, Jason Bontempo and Justin Tremain (or their respective nominees), whose participation in the Capital Raising is subject to Shareholder approval under Resolutions 7, 8, 9 and 10. The Company has not otherwise agreed to issue Shares under the Capital Raising to any party whose identity would be deemed to be material in terms of the indicia set out in ASX Guidance Note 21 (a member of key management personnel, a substantial shareholder, an adviser to the Company, or an associate of any of these), or identified any such party to participate in the Capital Raising in an amount equivalent to more than 1% of the Company's current issued capital;
- (b) the maximum number of Capital Raising Shares to be issued is 100,000,000 (on a post-Consolidation basis);
- (c) the Capital Raising Shares proposed to be 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 Capital Raising 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 ASX Listing Rules) and it is intended that issue of all the Shares pursuant to the Capital Raising will occur on the same date;
- (e) the issue price of the Capital Raising Shares will be \$0.10 per Share;
- (f) the Company intends to use the funds raised from the Capital Raising in accordance with the table set out in Section 1.14; and

- (g) the Capital Raising is required to be carried out pursuant to the terms of the Acquisition Agreement, a summary of which is set out in Schedule 4. The Company has not as at the date of this Notice entered into the Lead Manager Mandate. The fees payable under the Lead Manager Mandate will be as set out in Section 6.1. The other material terms of the Lead Manager Mandate will be disclosed in the Prospectus.

7. Resolution 6 – Issue of Adviser Options

7.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 6,000,000 Adviser Options (on a post-Consolidation basis) to the Nominated Adviser (or its nominee/s).

The Company has engaged Strand Hanson to act as Financial and Nominated Adviser (**NOMAD**) in relation to the Acquisition and re-admission of the enlarged company's securities to trading on AIM and associated fundraising (**Transaction**).

The Company has agreed to pay a total fee of £200,000 plus the issue of the Adviser Options to the NOMAD in consideration for the services being provided.

The engagement continues until completion of the Transaction or the first anniversary of the commencement date of the engagement.

Resolution 6 is an ordinary resolution and is subject to and conditional upon the passing of all the Essential Resolutions.

7.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 5.2.

7.3 Effect of the Resolution

The effect of this Resolution will be to allow the Company to issue the Adviser Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will be unable to issue the Adviser Options and will have to agree an alternative form of consideration with the Nominated Adviser.

7.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

7.5 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 the proposed issue of the Adviser Options:

- (a) the Adviser Options are proposed to be issued to the Nominated Adviser or its nominee/s;
- (b) the maximum number of Adviser Options (all on a post-Consolidation basis) to be issued is 6,000,000 Adviser Options;
- (c) the Adviser Options proposed to be issued will be on the terms and conditions set out in Schedule 3;
- (d) the Adviser Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). It is intended that issue of all the Adviser Options will occur on one date, being

subject to the Company's securities being re-admitted to trading on AIM following completion of the Acquisition;

- (e) the Adviser Options are to be issued in part consideration for the services of the Nominated Adviser in relation to the Transaction;
- (f) the Adviser Options are to be issued pursuant to the Nominated Adviser mandate, a summary of which is set out in 7.1; and
- (g) no funds will be raised from the issue of the Adviser Options as they are being issued for nil cash consideration.

8. Resolutions 7, 8, 9 and 10 – Issue of Capital Raising Shares to Related Parties

8.1 General

Resolutions 7, 8, 9 and 10 seek Shareholder approval for the issue of a total of up to 3,250,000 Capital Raising Shares (on a post-Consolidation basis) to the directors of the Company, Greg Bandy, Aaron Bertolatti and Jason Bontempo and Proposed Director Justin Tremain (or their respective nominee/s), who wish to participate in the Capital Raising (these entities together are referred to as the **Related Party Subscribers**).

It is proposed that the Related Party Subscribers will subscribe for and be issued Capital Raising Shares as follows:

- (a) Greg Bandy (or his nominee(s)) – 1,000,000 Capital Raising Shares;
- (b) Aaron Bertolatti (or his nominee(s)) – 250,000 Capital Raising Shares;
- (c) Jason Bontempo (or his nominee(s)) – 1,000,000 Capital Raising Shares; and
- (d) Justin Tremain (or his nominee(s)) – 1,000,000 Capital Raising Shares.

Resolutions 7, 8, 9 and 10 inclusive are ordinary resolutions and are subject to and conditional upon the passing of all the Essential Resolutions. However, Resolutions 7, 8, 9 and 10 are not conditional on each of them being passed.

8.2 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 issue of the Capital Raising Shares to the Related Party Subscribers constitutes giving a financial benefit to related parties. Greg Bandy, Aaron Bertolatti and Jason Bontempo are each a related party of the Company by reason of being a Director. Justin Tremain is a related party of the Company by reason of being a Proposed Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Capital Raising Shares to the Related Party Subscribers because these Securities are to be issued to them at the same price and on the same terms and conditions as to all other subscribers to the Capital Raising, and are being issued on arm's length terms.

8.3 ASX Listing Rule 10.11

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

- (a) a related party;
- (b) 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;
- (c) 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;
- (d) an associate of a person referred to in (a) to (c) above; or
- (e) a person whose relationship with the company or a person referred to in (a) to (d) above 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 issue of the Capital Raising Shares to the Related Party Subscribers the subject of Resolutions 7, 8, 9 and 10 falls within ASX Listing Rule 10.11.1 (as set out in (a) or (d) above) and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

8.4 Effect of the Resolutions

The effect of Resolutions 7, 8, 9 and 10 will be to allow the Company to issue the Capital Raising Shares to the Related Party Subscribers during the period of 3 months (subject to the terms and conditions of the waiver from ASX Listing Rule 10.13.5 as set out in Section 1.9) after the Meeting (or a longer period, if allowed by ASX, subject to the passing of all other Essential Resolutions).

If any or all of these Resolutions are not passed, the Company will not be able to proceed with the issue of the Capital Raising Shares to the Related Party Subscriber for whom Shareholder approval has not been obtained, and the securities that were to be issued to that Related Party Subscriber will be allocated to other unrelated subscribers under the Capital Raising.

8.5 Directors' recommendation

Mr Bandy has a material personal interest in Resolution 7, Mr Bertolatti has material personal interest in Resolution 8 and Mr Bontempo has a personal interest in Resolution 9. The Directors do not consider it appropriate to make a recommendation on how to vote on Resolutions 7, 8, 9 and 10.

8.6 Technical information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the issue of the Capital Raising Shares to the Related Party Subscribers:

- (a) the securities will be issued to the Related Party Subscribers as follows:
 - (i) up to 1,000,000 Shares to Greg Bandy or his nominee(s);

- (ii) up to 250,000 Shares to Aaron Bertolatti or his nominee(s);
 - (iii) up to 1,000,000 Shares to Jason Bontempo or his nominee(s); and
 - (iv) up to 1,000,000 Shares to Justin Tremain or his nominee(s).
- (b) the Related Party Subscribers are related parties of the Company by reason of being Directors or Proposed Directors, and fall within ASX Listing Rule 10.11.1. Each of their nominees (if any) would be an associate of a related party, and fall within ASX Listing Rule 10.11.4;
 - (c) the maximum number of Capital Raising Shares (all on a post-Consolidation basis) to be issued at Completion to each of the Related Party Subscribers is set out in paragraph (a);
 - (d) the Capital Raising Shares to be issued to the Related Party Subscribers will be issued on the same terms and conditions as existing Shares in the capital of the Company;
 - (e) the Capital Raising Shares will be issued to the Related Party Subscribers at the same time as all other Capital Raising Shares, which must be 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);
 - (f) the Capital Raising Shares will be issued to the Related Party Subscribers at the same issue price as all Capital Raising Shares under the Prospectus, i.e. \$0.10 per Share;
 - (g) a total of \$325,000 will be raised by the issue of the Capital Raising Shares to the Related Party Subscribers;
 - (h) the funds raised by the issue of the Capital Raising Shares to the Related Party Subscribers will form part of the total amount of funds raised by the Capital Raising, which will be used as described in Section 1.14; and
 - (i) the Capital Raising Shares to be issued to the Related Party Subscribers are to be issued pursuant to their participation in the Capital Raising on the same terms as other applicants, and the issue of these securities does not form part of the remuneration of the Related Party Subscribers.

9. Resolutions 11, 12, 13 ,14 and 15 – Issue of Director Performance Rights

9.1 General

Resolutions 11 to 15 seek Shareholder approval for the issue of a total of 22,000,000 Director Performance Rights (all on a post-Consolidation basis) to two directors of the Company, Greg Bandy and Aaron Bertolatti and the Proposed Directors, Justin Tremain, Allan Mulligan and Robert Mosig (or their respective nominees) (together the **Performance Rights Participants**).

It is proposed that the Performance Rights Participants (or their nominee/s) will be issued Director Performance Rights as follows:

- (a) Greg Bandy (or his nominee/s) – 8,000,000 Director Performance Rights;
- (b) Aaron Bertolatti (or his nominee/s) – 1,000,000 Director Performance Rights;
- (c) Justin Tremain (or his nominee/s) – 8,000,000 Director Performance Rights;
- (d) Allan Mulligan (or his nominee/s) – 3,000,000 Director Performance Rights ; and
- (e) Robert Mosig (or his nominee/s) – 2,000,000 Director Performance Rights.

Resolutions 11 to 15 inclusive are ordinary resolutions and are subject to and conditional upon the passing of all the Essential Resolutions. However, Resolutions 11, 12, 13, 14 and 15 are not conditional on each of them being passed.

9.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 8.2.

The issue of the Director Performance Rights constitutes the giving of a financial benefit. Each of the Performance Rights Participants is a related party of the Company by reason of being a Director or Proposed Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is required in respect of the issue of the Director Performance Rights.

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered. The Directors do not have a material personal interest in these Resolutions, other than the Resolution to issue Director Performance Rights to himself. However, in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest, the Directors have not considered whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions, and as it is proposed that Director Performance Rights be issued to two current Directors, they are unable to form a quorum at Board level to make a determination on whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions. Therefore, the Board has determined in accordance with section 195(4) of the Corporations Act to seek Shareholder approval for the issue of the Director Performance Rights.

9.3 ASX Listing Rule 10.14

A summary of ASX Listing Rule 10.11 is set out at Section 8.3.

ASX Listing Rule 10.12 Exception 8 makes an exception from ASX Listing Rule 10.11 for issues of equity securities to related parties who participate in the issue of securities under an employee incentive scheme with shareholder approval.

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director;
- (a) an associate of a director; or
- (b) a person whose relationship with the company, or with a director or associate of a director, 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.

As the issue of the Performance Rights constitutes the issue of equity securities to directors of the Company under the Plan, Shareholder approval pursuant to ASX Listing Rule 10.14 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.16 do not apply in the current circumstances.

The Company therefore seeks the required Shareholder approval for the issue of the Performance Rights, under and for the purposes of Listing Rule 10.14.

Each of Resolutions 11 to 15 is conditional upon the passing of the Essential Resolutions. Resolutions 11 to 15 are not otherwise inter-conditional.

The Director Performance Rights are expected to be classified as Restricted Securities (as defined in the ASX Listing Rules) and made subject to an escrow period of 24 months from the date of reinstatement to Official Quotation of the Company's securities on ASX, in accordance with the ASX Listing Rules.

9.4 ASX Listing Rule 7.1

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Director Performance Rights if approval is obtained under ASX Listing Rule 10.14. Accordingly, the issue of Director Performance Rights to each of the Performance Rights Participants, if approved, will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

9.5 Effect of the Resolutions

The effect of Resolutions 11 to 15 will be to allow the Company to issue the Director Performance Rights during the period of 3 years after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If any or all of Resolutions 11 to 15 are not passed, the Company will not be able to proceed with the issue of Director Performance Rights to any proposed recipient of the Director Performance Rights in respect of whom the relevant Resolution has not been passed. In that case, the Company may have to consider alternatives in respect of the relevant Performance Rights Participant's remuneration, which may include increasing his cash remuneration.

9.6 Board Recommendation

Jason Bontempo, who is not receiving any Performance Rights and therefore does not have a material personal interest in Resolutions 11 to 15, recommends that Shareholders vote in favour of Resolutions 11 to 15.

Given the material personal interest of each other Director in the Resolution expressly relevant to him (Resolution 11 for Greg Bandy and Resolution 12 for Aaron Bertolatti), and in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation on resolutions about each other's remuneration (as there may be a conflict of interest), Messrs Bandy and Bertolatti do not consider it appropriate to give a recommendation on any of Resolutions 11 to 15.

9.7 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.14, the following information is provided in relation to the issue of the Director Performance Rights to the Performance Rights Participants:

- (a) the securities will be issued to the Directors as follows:
 - (i) 8,000,000 Director Performance Rights to Greg Bandy (or his nominee/s);
 - (ii) 1,000,000 Director Performance Rights to Aaron Bertolatti (or his nominee/s);
 - (iii) 8,000,000 Director Performance Rights to Justin Tremain (or his nominee/s);
 - (iv) 3,000,000 Director Performance Rights to Allan Mulligan (or his nominee/s); and
 - (v) 2,000,000 Director Performance Rights to Robert Mosig (or his nominee/s).
- (b) Mr Bandy and Mr Bertolatti are Directors of the Company. Mr Tremain, Mr Mulligan and Mr Mosig are Proposed Directors of the Company with the issue of their respective Director

Performance Rights to occur on or about the time of their appointment as Directors;

- (c) the maximum number of Director Performance Rights (all on a post-Consolidation basis) to be issued at Completion to each of the Performance Rights Participants is set out in paragraph (a);
- (d) the current total annual remuneration package of each of the Performance Rights Participants for the financial year ending 30 June 2021, or the proposed remuneration package on an annualised basis for the Proposed Directors, each before the issue of the Director Performance Rights the subject of Resolutions 11 to 15 is as follows:

(i) *Greg Bandy*

Salary/Fees	\$180,000 per annum
Superannuation	\$17,100 per annum
Total	\$197,100 per annum
Director Performance Rights <i>(subject to shareholder approval of Resolution 11)</i>	8,000,000 Director Performance Rights <i>Refer to the valuation of these Director Performance Rights at Section 9.8(d)</i>

(ii) *Aaron Bertolatti*

Salary/Fees	\$60,000 per annum
Total	\$60,000 per annum
Director Performance Rights <i>(subject to shareholder approval of Resolution 12)</i>	1,000,000 Director Performance Rights <i>Refer to the valuation of these Director Performance Rights at Section 9.8(d)</i>

(iii) *Justin Tremain*

Salary/Fees	\$36,000 per annum
Total	\$36,000 per annum
Additional consulting fees	\$1,000 per day
Director Performance Rights <i>(subject to shareholder approval of Resolution 13)</i>	8,000,000 Director Performance Rights <i>Refer to the valuation of these Director Performance Rights at Section 9.8(d)</i>

(iv) *Allan Mulligan*

Salary/Fees	\$120,000 per annum
Total	\$120,000 per annum
Director Performance Rights <i>(subject to shareholder approval of Resolution 14)</i>	3,000,000 Director Performance Rights <i>Refer to the valuation of these Director Performance Rights at Section 9.8(d)</i>

(v) *Robert Mosig*

Salary/Fees	\$36,000 per annum
Total	\$36,000 per annum
Director Performance Rights <i>(subject to shareholder approval of Resolution 15)</i>	2,000,000 Director Performance Rights <i>Refer to the valuation of these Director Performance Rights at Section 9.8(d)</i>

- (e) no securities have previously been issued to the Performance Rights Participants under the Plan;
- (f) the Director Performance Rights will be issued on the terms and conditions set out in Schedule 5;
- (g) the Director Performance Rights are being offered as an incentive-based component of the Performance Rights Participants' remuneration package which is considered a cost-effective remuneration practice and 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. In addition, it is considered that the grant of the Director Performance Rights will align the interests of the Directors with those of Shareholders;
- (h) the value of the Director Performance Rights is set out in the table below. The valuation has been completed by internal management of the Company using the barrier up-and-in trinomial option pricing model with a Parisian barrier adjustment;

	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
Assumption	20-day VWAP of \$0.15 or above	20-day VWAP of \$0.20 or above	20-day VWAP of \$0.25 or above
Valuation Date	22 March 2021	22 March 2021	22 March 2021
Underlying security spot price (issue price of Capital Raising)	\$0.10	\$0.10	\$0.10
Exercise price	Nil	Nil	Nil
Term (years)	3 years	3 years	3 years
Dividend Yield (life of Option)	Nil	Nil	Nil
Risk free interest rate	0.10%	0.10%	0.10%

Volatility (expected)	100%	100%	100%
Indicative Value (\$) (per Director Performance Right)	\$0.088	\$0.081	\$0.075
Quantity	7,333,333	7,333,333	7,333,334
Value (\$) (Total)	\$645,334	\$594,000	\$550,000
Value (\$) (Total)	\$1,789,334		
Value (\$) (per Director)			
Greg Bandy	\$234,667	\$216,000	\$200,000
Total	\$650,667		
Aaron Bertolatti	\$29,333	\$27,000	\$25,000
Total	\$81,333		
Justin Tremain	\$234,667	\$216,000	\$200,000
Total	\$650,667		
Allan Mulligan	\$88,000	\$81,000	\$75,000
Total	\$244,000		
Robert Mosig	\$58,667	\$54,000	\$50,000
Total	\$162,667		

- (i) the Director Performance Rights will be issued to the Performance Rights Participants no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Director Performance Rights will be issued on one date, being the same date the Capital Raising Shares are issued;
- (j) the Director Performance Rights will be issued for no cash consideration, accordingly, no funds will be raised by the issue of the Director Performance Rights;
- (k) a summary of the material terms of the Plan is set out in Schedule 6;
- (l) no loan will be made in relation to the issue of the Director Performance Rights;
- (m) details of any securities issued under the Plan will be published in the annual report of the entity 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
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after any of Resolutions 11 to 15 are approved and who are not named in the Notice will not participate until approval is obtained under that Rule.

9.8 Technical information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information (in addition to the information provided in Section 9.7) is provided in relation to the issue of the Director Performance Rights the subject of Resolutions 11 to 15:

- (a) the Director Performance Rights will be issued to each of the Performance Rights Participants specified in Section 9.7(a);
- (b) the nature of the financial benefit being provided is the Director Performance Rights. The quantity and terms of the Director Performance Rights are set out in Sections 9.7(a) and

9.7(f);

- (c) each Director's interests in the Resolutions and the recommendation or reasons for not giving a recommendation on these Resolutions is set out in Section 9.6;
- (d) the value of the Director Performance Rights is set out in Section 9.7(h);
- (e) the relevant interests in securities of the Company (on a pre-Consolidation basis) of the Performance Rights Participants the subject of Resolutions 11 to 15 are set out below:

Director	Shares	Options
Greg Bandy ¹	1,000,000	Nil
Aaron Bertolatti ²	375,000	Nil
Justin Tremain ³	Nil	Nil
Allan Mulligan	Nil	Nil
Robert Mosig	Nil	Nil

Notes:

¹ Equal to 140,000 Shares on a post-Consolidation basis. Mr Bandy acquired these securities in on-market trades on ASX in 2012 and 2016. In addition, Mr Bandy intends to subscribe in the Capital Raising for an additional 1,000,000 Shares (on a post-Consolidation basis).

² Equal to 52,500 Shares on a post-Consolidation basis. Mr Bertolatti acquired these shares prior to his appointment as a director in 2018. In addition, Mr Bertolatti intends to subscribe in the Capital Raising for an additional 250,000 Shares (on a post-Consolidation basis).

³ Mr Tremain intends to subscribe in the Capital Raising for an additional 1,000,000 Shares (on a post-Consolidation basis).

- (f) the current total annual remuneration package from the Company to the Performance Rights Participants the subject of Resolutions 11 to 15 for the financial year ending 30 June 2021, or the proposed remuneration package on an annualised basis for the Proposed Directors, is set out in Section 9.7(d);
- (g) if the Director Performance Rights are granted and then vest and are exercised, a total of 22,000,000 Shares would be issued. This would increase the number of Shares on issue from 348,540,988 (on a post-Consolidation basis subject to rounding), being the number of Shares on issue following the issue of all Shares contemplated by this Notice, to 370,540,988 (assuming that no Options are exercised or other convertible securities converted and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 5.94%, comprising approximately 2.16% by Greg Bandy, 0.27% by Aaron Bertolatti, 2.16% by Justin Tremain, 0.81% by Allan Mulligan and 0.54% by Robert Mosig.

The market price for Shares during the term of the Director Performance Rights will determine whether or not the Director Performance Rights vest. If, at any time any of the Director Performance Rights vest and are exercised there may be a perceived cost to the Company as the Shares are trading on ASX at a price that is higher than the price of the Director Performance Rights (being nil).

As at the date of this Notice, the Shares are suspended from trading on ASX, and have been suspended since 22 January 2021. The highest and lowest closing prices of the Shares (on

a pre-Consolidation basis) on ASX during the 12 months preceding the date of this Notice, and the closing price on the trading day before the date of this Notice, are set out below:

	Price (Pre - consolidation)	Equivalent notional Price (post-Consolidation)	Date
Highest	2.9 cents	20.7 cents	10 December 2020
Lowest	0.8 cents	5.7 cents	Various dates, most recently 14 August 2020
Last	1.7 cents	12.1 cents	19 January 2021

- (h) the Board acknowledges the grant of the Director Performance Rights to each of Messrs Bertolatti, Tremain, Mulligan and Mosig is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of the Director Performance Rights is reasonable in the circumstances for the reasons set out in paragraph (j);
- (i) the primary purpose of the grant of the Director Performance Rights is to provide an incentive component in their remuneration package to motivate and reward their performance in their respective roles as Directors;
- (j) the Directors consider the grant of the Director Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as:
 - (i) 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;
 - (ii) the grant of the Director Performance Rights will align the interests of the Directors and Proposed Directors with those of Shareholders; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Performance Rights upon the terms proposed.

In forming their reasoning and determining the quantity of Director Performance Rights to be granted each Director considered the experience and role of the Performance Rights Participants, the cash remuneration of the Performance Rights Participants, the price of Shares (as reflected in the offer price of Shares under the Capital Raising) and the current market practices when determining the number of Director Performance Rights to be granted as well as the vesting conditions (relative to the issue price of Shares under the Capital Raising) and expiry date of those Director Performance Rights; and

- (k) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 11 to 15.

9.9 Information required by conditions of ASX's confirmation that the terms of the Performance Rights are appropriate and equitable

ASX has confirmed that the terms of the Performance Rights are appropriate and equitable under Listing Rule 6.1 (refer Section 1.9). The disclosures required under the conditions of that confirmation (to the extent that the relevant disclosures are not included in the information in Sections 9.7 and 9.8) are as follows.

- (a) *A statement that that Performance Rights are being issued to remunerate or incentivise a director or employee and are not ordinary course of business remuneration securities.*

The Performance Rights are being issued to the Directors and Proposed Directors to incentivise and remunerate them. The issue of Performance Rights are not "ordinary course of business remuneration securities" (as that expression is used in ASX Listing Rules Guidance Note 19.)

- (b) *Details of the role (if any) the director or employee will play in meeting the respective performance milestones.*

The performance milestones are all based on the Company's share price achieving 20 day VWAP targets, which represent incremental and substantial increases above the Prospectus Capital Raising issue price, and which are required to be sustained over a reasonable period. The Company considers that sustained increases in the Company's Share price are appropriate indicia for the Company's successful performance to which vesting of each tranche of performance securities is to be linked.

All Directors and Proposed Directors who are proposed to receive Performance Rights will be involved according to their respective responsibilities in setting the Company's strategy and overseeing the implementation of the Company's exploration and development activities in relation to the Panton PGM Project.

- (c) *Details of the existing total remuneration package of the director or employee*

Details of Directors' and Proposed Directors' remuneration are set out in Section 9.7(d).

- (d) *If the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities*

Details of Directors' and Proposed Directors' security holdings are set out in Section 9.8(e).

- (e) *An explanation of why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone.*

The Company considers it is appropriate that the Directors and Proposed Directors should have an incentive component to their remuneration that will vest only if the Company's value increases.

The Company considers the Directors' and Proposed Directors' emoluments are at comparable levels for base remuneration for directors at mineral exploration companies at a similar stage of development.

None of the Directors or Proposed Directors hold any other options or performance rights as performance-based remuneration. None of the Directors or Proposed Directors' employment agreements or engagements include entitlements to cash bonuses or similar payments linked to performance.

In light of the above, the Company considers that it is appropriate to seek Shareholder approval for the issue of the Performance Rights to the Directors and Proposed Directors.

- (f) *Details of how the Company determined the number of Performance Rights to be issued to the directors or employee and why it considers that number to be appropriate and equitable*

The Board decided on the proposed allocation of Performance Rights to the Directors and Proposed Directors based on their relative levels of responsibility within the Board in respect of execution of the Company's strategy for acquisition and development of the Panton PGM Project, and Company performance as a whole.

The total number of Performance Rights (22,000,000) to be held by Directors and Proposed Directors is equivalent to approximately 5.94% of the undiluted issued capital of the Company at Completion. The Performance Rights are divided into three equal tranches (subject to rounding) that vest upon achievement of the performance milestones, which are increasing 20-day VWAP hurdles:

- (i) \$0.15 for Class A Performance Rights,
- (ii) \$0.20 for Class B Performance Rights, and
- (iii) \$0.25 for Class C Performance Rights.

Thus, one third of the Performance Rights (Class A) will vest if the Company's share price has increased by 50% above the Capital Raising price; one third will vest (Class B) vest if the share price has increased by 100% above the Capital Raising price; and one third (Class C) will vest if the share price has increased by 150% above the Capital Raising price.

Having regard to the value of the Shares to be issued on vesting and conversion of the Performance Rights in each tranche, the Board considers the number of Performance Rights to be allocated to each Director and Proposed Director to be appropriate and equitable.

10. Resolution 16 – Enable the issue of Performance Rights under an Employee Incentive Scheme – Red Emperor Performance Rights Plan

10.1 General

The Company proposes to implement an employee incentive scheme titled 'Red Emperor Performance Rights Plan' (**Plan**).

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

10.2 ASX Listing Rules 7.1 and 7.2 Exception 13

A summary of ASX Listing Rule 7.1 is set out at Section 5.2.

Certain issues of equity securities are exempt from the restrictions of ASX Listing Rule 7.1, and are effectively disregarded for the purposes of determining the number of equity securities that a listed company has issued within a 12 month period.

ASX Listing Rule 7.2 Exception 13 creates an exception from ASX Listing Rule 7.1 for the issue of equity securities pursuant to an employee incentive scheme for a period of 3 years after either:

- (a) the listing of the company, provided that the terms of the employee incentive scheme and the maximum number that may be issued under the scheme were summarised in the company's listing prospectus; or

- (b) shareholders have approved the issue of securities under the employee incentive scheme being an exception from ASX Listing Rule 7.1, provided that the notice of meeting included a summary of the employee incentive scheme and certain required disclosures about the number of securities previously issued under the scheme and the maximum number that may be issued under the scheme.

The exemption is only available for the issue of equity securities under the employee incentive scheme up to the maximum number stated in the prospectus or notice of meeting, as applicable. The exemption also ceases to be available if there is a material change to the terms of the employee incentive scheme after shareholder approval has been obtained.

10.3 Effect of the Resolution

Resolution 16 seeks Shareholder approval for the issue of Performance Rights under the Plan to be an exception from ASX Listing Rule 7.1 for a period of 3 years.

If Shareholders approve this Resolution, any issue of Performance Rights under the Plan over the 3 years after the date of the Meeting (up to the maximum number calculated as set out in Section 10.6(c)) will not use up a portion of the Company's Placement Capacity when that issue is made. This means that the Company will preserve its flexibility to issue equity securities without seeking Shareholder approval if and when it grants Performance Rights under the Plan.

It should be noted that if the Resolution is passed, the Company will only be able issue equity securities under the Plan to eligible participants who are unrelated parties without seeking prior Shareholder approval. Any proposed issue of Performance Rights to a Director or related party, or any of their associates, under the Plan will require prior Shareholder approval under ASX Listing Rule 10.14.

If Shareholders do not approve this Resolution, the Company may still decide in future to grant Performance Rights to eligible employees and consultants who are unrelated parties under the Plan, but each such issue will not be exempt from ASX Listing Rule 7.1 and will use up a portion of the Company's Placement Capacity at the relevant time made (unless another exemption from ASX Listing Rule 7.1 is applicable). The issue of Performance Rights under the Plan in those circumstances would therefore reduce the Company's ability to issue equity securities without seeking Shareholder approval.

10.4 Key terms and conditions of the Red Emperor Performance Rights Plan

A summary of the key terms and conditions of the Plan is set out in Schedule 6.

10.5 Directors' recommendation

Approval of this Resolution will enable the Company to preserve its flexibility under its Placement Capacity when it issues Performance Rights under the Plan for the period of 3 years after the Meeting. Directors are eligible to be offered Performance Rights under the Plan, however, any proposed grant of Performance Rights to a Director or their associates requires prior Shareholder approval under ASX Listing Rule 10.14 before it can be made, and the passing of this Resolution alone will not enable the Company to issue any equity securities to a Director or their associates.

The Directors recommend that Shareholders vote in favour of this Resolution.

10.6 Technical information required by ASX Listing Rule 7.2 Exception 13

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

- (a) A summary of the Plan is set out at Schedule 6;

- (b) The Company has not previously issued any Performance Rights under the Plan; and
- (c) The maximum number of Performance Rights to be issued under the Plan (other than issues approved by Shareholders under ASX Listing Rule 10.14) following approval under this Resolution at any given time, unless otherwise approved by Shareholders, will be 17,427,049 (being 5% of 348,540,988, which will be the number of the Company's fully paid ordinary shares on issue following completion of the issue of all Securities contemplated under this Notice, on a post-Consolidation basis).

11. Resolution 17 – Replacement of Constitution

11.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders.

Resolution 17 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed Australian no liability public company reflecting the current provisions of the Corporations Act and ASX Listing Rules and on the basis it is also subsequently readmitted to the AIM market of the London Stock Exchange, to reflect the current provisions of the AIM Rules.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available upon request to the Company (+61 8 9212 0102).

11.2 Summary of material proposed changes

AIM related amendments (new clause)

For so long as the Company's Shares are admitted to trading on AIM or any other stock exchange the rules of which would require the relevant DTR provisions to apply, the provisions of the Relevant DTR Provisions shall be deemed to be incorporated into the Proposed Constitution and shall bind the Company and the Members (save that any provision exempting any person from complying with any Relevant DTR Provisions by reason of the location of an issuer's registered office shall not be deemed incorporated into the Proposed Constitution) and references to an "issuer" (or similar expression) in such Relevant DTR Provisions shall be deemed to be references to the Company, as if the Company were subject to the laws of the United Kingdom (and, for the avoidance of doubt, the Company shall not be deemed to be a "non-UK issuer" as defined in the Relevant DTR Provisions).

Where:

AIM means AIM a market operated by the London Stock Exchange Plc.

AIM Rules means the AIM Rules for Companies and any other rules of AIM which are applicable while the Company's Shares are admitted to AIM.

DTR means the United Kingdom Financial Conduct Authority's Disclosure and Transparency Rules Sourcebook.

Relevant DTR Provisions means the provisions of the DTR or any successor regime (whether statutory or non-statutory) governing the disclosure of interests in shares in the United Kingdom by

issuers who have their registered office in the United Kingdom, which relates to the requirement of shareholders to disclose their total proportion of voting rights (as defined in the DTR).

Non-UK Issuer means an issuer whose shares are admitted to trading on a regulated market other than:

- a public company within the meaning of section 4(2) of the Companies Act 2006; and
- a company which is otherwise incorporated in, and whose principal place of business is in, the UK.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an “unmarketable parcel” of shares, being a shareholding that is less than \$500 based on the closing price of the Company’s Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with “unmarketable parcels” outlined in the ASX Listing Rules such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution outlines in detail the process that the Company must follow for dealing with unmarketable parcels.

Partial (proportional) takeover provisions (clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder’s shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

It is noted that the same provision was included in the Constitution when last adopted by Shareholders in 2019, however, on the basis Resolution 17 is seeking to replace that Constitution with the Proposed Constitution the Directors consider it prudent to seek Shareholder approval again for this provision.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption or last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed

to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
 - (i) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
 - (ii) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the inclusion of the proportional takeover provisions in the Proposed Constitution is in the interests of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 17.

Glossary

\$ or A\$ means Australian dollars.

Acquisition means the proposed acquisition by the Company of 100% of the issued capital of GNP.

Acquisition Agreement means the binding heads of agreement between the Company, GNP and certain GNP Vendors pursuant to which the Company has been granted an option to acquire 100% of the issued capital of GNP.

Adviser Options means the Options to be issued pursuant to Resolution 6 on the terms and conditions set out in Schedule 2.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

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.

Capital Raising means the proposed issue of up to 100,000,000 Shares at \$0.10 per Share to raise \$10,000,000, the issue of which is the subject of Resolution 5.

Chair means the chair of the Meeting.

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

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

Company or **Red Emperor** means Red Emperor Resources NL (to be renamed Future Metals NL) (ACN 124 734 961).

Completion means completion of the Acquisition.

Consideration Securities means the Consideration Shares and Vendor Options proposed to be issued to the GNP Vendors pursuant to Resolution 4.

Consideration Shares means the Shares proposed to be issued to the GNP Vendors pursuant to Resolution 4.

Consolidation has the meaning set out in Section 3.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

DI means a depository interest representing a Share listed (or to be listed) on AIM, a market operated by the London Stock Exchange.

DI Holder means a holder of a DI.

Director Performance Rights means the Performance Rights to be issued pursuant to Resolutions 11 to 15 on the terms and conditions set out in Schedule 5.

Directors means the current directors of the Company.

Essential Resolutions means the inter-conditional Resolutions in this Notice, being Resolutions 1 to 5 and 17 (inclusive).

Explanatory Statement means the explanatory statement accompanying the Notice.

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

GMT means Greenwich Mean Time.

GNP means Great Northern Palladium Pty Ltd (ACN 645 861 196).

GNP Vendors means the holders of shares in the capital of GNP.

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

Lead Manager or **708 Capital** means 708 Capital Pty Ltd (ACN 142 319 202) (AFSL 386279).

Nominated Adviser or **NOMAD** means Strand Hanson Limited, the Company's Nominated Adviser.

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.

Panton Project means the Panton PGM Project held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km².

Performance Rights means a performance right issued by the Company.

Plan or **Red Emperor Performance Rights Plan** means the Red Emperor Performance Rights Plan the subject of Resolution 16 and as summarised in Schedule 6.

Proposed Director means a proposed director of the Company as set out in Section 1.5.

Prospectus means the prospectus to be issued by the Company in relation to the Capital Raising.

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.

Schedule means a schedule to this Notice.

Security means a Share or Option (as applicable) and **Securities** has the corresponding meaning.

Security Holder means the holder of a Security.

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.

Vendor Options mean the Options to be issued pursuant to Resolution 4 on the terms and conditions set out in Schedule 2.

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

Schedule 1 – Pro Forma Statement of Financial Position

RED EMPEROR RESOURCES NL CONSOLIDATED HISTORICAL AND PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	RMP	GNP	Pro forma adjustments			Pro forma Consolidated
		Reviewed for the half-year ended	Audit for the period ended	Acquisition of Great Northern Palladium	Capital Raising	Subsequent Event Adjustments	Unaudited
		31-Dec-20	31-Dec-20				31-Dec-20
		\$	\$	\$	\$	\$	\$
Current Assets							
Cash and cash equivalents	1	4,225,863	700,659	(200,000)	8,922,166	-	13,648,688
Trade and other receivables		26,626	1	-	-	-	26,627
Total Current Assets		4,252,489	700,660	- 200,000	8,922,166	-	13,675,315
Non-Current Assets							
Right of use assets		118,718	-	-	-	-	118,718
Deferred exploration and evaluation expenditure	2	-	15,610,000	200,000	-	-	15,810,000
Total Non-Current Assets		118,718	15,610,000	200,000	-	-	15,928,718
Total Assets		4,371,207	16,310,660	-	8,922,166	-	29,604,033
Current Liabilities							
Trade and other payables		39,601	894,191	-	-	-	933,792
Lease liabilities		70,620	-	-	-	-	70,620
Total Current Liabilities		110,221	894,191	-	-	-	1,004,412
Non-Current Liabilities							
Lease liabilities		49,075	-	-	-	-	49,075
Total Non-Current Liabilities		49,075	-	-	-	-	49,075
Total Liabilities		159,296	894,191	-	-	-	1,053,487
Net Assets		4,211,911	15,416,469	-	8,922,166	-	28,550,546
Equity							
Issued capital	3	61,811,451	12,500,410	(54,457,352)	9,119,428	-	28,973,937
Reserves	4	5,270,653	-	(5,270,653)	-	1,789,333	1,789,333
Accumulated losses	5	(62,870,193)	(83,941)	59,728,005	(197,262)	(1,789,333)	(5,212,724)
Capital and Reserves Attributable to Owners of the parent entity		4,211,911	12,416,469	-	8,922,166	-	25,550,546
Non-controlling interest		-	3,000,000	-	-	-	3,000,000
Total Equity		4,211,911	15,416,469	-	8,922,166	-	28,550,546

NOTES:

	Reviewed	Unaudited
	31-Dec-20	Pro forma
	31-Dec-20	31-Dec-20
1. Cash and cash equivalents	4,225,863	13,648,688
RMP cash and cash equivalents as at 31 December 2020		4,225,863
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Proceeds from the Offer pursuant to the Prospectus		10,000,000
Cash costs relating to the Offer - Australia		(1,077,834)
		8,922,166
Great Northern Palladium cash and cash equivalents		700,659
Acquisition of Great Northern Palladium – consideration paid post balance date		(200,000)
		9,422,825
Pro forma cash and cash equivalents		13,648,688

2. Deferred Exploration and Evaluation Expenditure

Deferred Exploration and Evaluation Expenditure	-	15,610,000
RMP deferred exploration expenditure as at 31 December 2020		-
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Great Northern Palladium deferred exploration expenditure		15,610,000
Pro forma Deferred Exploration Expenditure		15,610,000

The Proposed Acquisition has been considered under AASB 3 Business Combinations and although a company is being acquired as part of the transaction, it is determined that no business is being acquired and accordingly the transaction has been accounted for as an asset acquisition. The only material assets of the company are exploration assets.

	Number of	Unaudited
	shares	Pro forma A\$
3. Issued Capital		
RMP issued share capital as at 31 December 2020	525,292,776	61,811,451
Great Northern Palladium issued capital		12,500,410
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Completion of the share consolidation at 14:100	(451,751,787)	-
Elimination of RMP's issued capital	-	(61,811,451)
Consideration shares issued at \$0.10 as part of the Proposed Transaction	175,000,000	7,354,099
Fully paid ordinary shares issued at \$0.10 pursuant to the Prospectus	100,000,000	10,000,000
Cash costs of the Offer deducted from equity	-	(880,572)
Pro forma issued share capital	348,540,989	28,973,937

	Note	Reviewed 31-Dec-20 A\$	Unaudited Pro forma 31-Dec-20 A\$
4. Reserves			
Reserves		5,270,653	1,789,333
RMP Reserves as at 31 December 2020			5,270,653
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Elimination of RMP's reserves			(5,270,653)
<i>Subsequent event adjustments:</i>			
Performance rights to be issued to the Directors and Proposed Director's	6		1,789,333
Pro forma Reserves			1,789,333

		Reviewed 31-Dec-20 A\$	Unaudited Pro forma 31-Dec-20 A\$
5. Accumulated losses			
Accumulated losses		(62,870,193)	(5,212,724)
RMP Reserves as at 31 December 2020			(62,870,193)
Great Northern Palladium accumulated losses			(83,941)
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Elimination of RMP's accumulated losses			62,870,193
Listing expense			(3,142,188)
Cash costs of the Offer			(197,262)
Performance rights to be issued to the Directors and Proposed Director's			(1,789,333)
Pro forma Reserves			(5,212,724)

6. Performance rights to be issued to the Directors and Proposed Director

The performance rights intended to be issued to the Directors and Proposed Directors have been valued using a barrier up-and-in trinomial option pricing model with a Parisian barrier adjustment.

Item	Tranche			Total
	A. 20-day VWAP of A\$0.15 or above	B. 20-day VWAP of A\$0.20 or above	C. 20-day VWAP of A\$0.25 or above	
Security spot price	\$0.10	\$0.10	\$0.10	
Exercise price	Nil	Nil	Nil	
Life of the Rights (years)	3.00	3.00	3.00	
Share price volatility	100%	100%	100%	
Risk-free rate	0.10%	0.10%	0.10%	
Dividend yield	Nil	Nil	Nil	
Number of Rights	7,333,331	7,333,331	7,333,338	
Valuation per Right	\$0.088	\$0.081	\$0.075	
Valuation per Tranche	\$645,333	\$594,000	\$550,000	\$1,789,333

7. Cash costs relating to the Proposed Acquisition and Capital Raising - Australia

Item of Expenditure	A\$
ASIC fees	3,206
ASX fees	104,128
Lead Manager Fee	600,000
Corporate adviser Fee	200,000
Legal Fees	100,000
Solicitor Report on Tenements	10,000
Independent Geologist's Fees	20,000
Investigating Accountant's Fees	20,000
Printing and Distribution	5,000
Miscellaneous	15,500
	<u>1,077,834</u>

Schedule 2 – Terms and Conditions of Vendor 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 \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before the date that is three (3) years after the date of issue of the Option (**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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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 a holder 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 or number of underlying securities**

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.

(l) **Transferability**

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

Schedule 3 – Terms and Conditions of Adviser 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 \$0.12 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before the date that is three (3) years after the date of issue of the Option (**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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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 a holder 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 or number of underlying securities**

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.

(l) **Transferability**

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

Schedule 4 – Summary of Acquisition Agreement

A summary of the material terms of the Acquisition Agreement is set out below:

- (a) **(Option):** Certain major shareholders of GNP agreed to irrevocably grant to Red Emperor an exclusive and binding option exercisable until 30 June 2021 to acquire their GNP shares. These major shareholders of GNP also agreed to procure that the remaining shareholders of GNP enter into sale agreements with Red Emperor in respect of their respective GNP shares.
- (b) **(Exercise of the Option):** The option is exercisable by Red Emperor at any time commencing on the date of satisfaction (or waiver) of the Conditions Precedent and ending on 30 June 2021 (or such other date as the parties may agree in writing) and following exercise Red Emperor agrees to purchase, and the major shareholders of GNP agreed to sell, the GNP shares held by them.
- (c) **(Conditions Precedent):** Exercise of the Option is subject to satisfaction (or waiver if permitted) of the following conditions precedent:
 - (i) Completion of due diligence by Red Emperor on GNP and its assets, including Panton Sill and the Mining Licences, to the satisfaction of Red Emperor in its sole discretion on or before lodgement with ASIC of the prospectus for the Capital Raising;
 - (ii) Red Emperor receiving valid applications for not less than A\$7.5M pursuant to the Capital Raising for the issue of Red Emperor Shares at an issue price of 1.4 cents (pre-Consolidation) or such other terms as agreed between Red Emperor and GNP;
 - (iii) Red Emperor obtaining all necessary shareholder approvals pursuant to the ASX Listing Rules and the Corporations Act or any other law, including approval for the Consolidation, and for the issue of the Consideration Securities under Listing Rule 7.1 and under Listing Rule 11.1.2 to lawfully complete the matters set out in the Acquisition Agreement;
 - (iv) the Company obtaining all necessary regulatory approvals pursuant to the ASX Listing Rules, the Corporations Act and any other law to complete the matters set out in the Acquisition Agreement, including receipt of conditional approval for reinstatement of the Company's securities on ASX subject to compliance with Chapters 1 and 2 of the Listing Rules on terms and conditions reasonably acceptable to the Company;
 - (v) the Company making separate offers under a short form agreement to each GNP shareholder (other than the major GNP Vendors) and each of those other GNP Vendors agreeing with the Company:
 - A. to sell their respective GNP shares to the Company pursuant to those offers;
 - B. to submit to any ASX-imposed escrow on the Consideration Securities; and
 - C. that on and from the issue of the Consideration Securities they have no claims against GNP or the Company in relation to any acts or omissions prior to settlement and any other release customary;
 - (vi) there being no material adverse change in the circumstances of GNP and Panton Sill and none of the warranties given by GNP and the major GNP Vendors becoming untrue, incorrect or misleading, each prior to the date of satisfaction (or waiver) of all other Conditions.

(Conditions Precedent).

If the Conditions Precedent are not satisfied (or waived in accordance with the Acquisition Agreement) by 30 June 2021, any party may terminate the Acquisition Agreement by giving notice.

- (d) **(Consideration)**: Subject to valid exercise of the Option, Red Emperor has agreed to issue an aggregate number of Shares equal to A\$17.5M, based on a deemed issue price equal to the issue price under the Capital Raising, together with 1 Option exercisable at a price equal to the Capital Raising issue price on or before 3 years from the date of issue for every 2 Shares issued, in consideration for the acquisition of all GNP shares. The total consideration for the GNP shares is to be apportioned pro rata to each GNP Vendor according to their shareholding in GNP at Completion.
- (e) **(Completion)**: Following exercise of the option under the Acquisition Agreement, completion of the Acquisition will occur on that date which is 5 business days after the date that notice of exercise of the option is given (or such other date as agreed between the parties in writing).

The Acquisition Agreement otherwise contains representations, warranties and conditions considered standard for agreements of this nature.

Schedule 5 – Terms and conditions of Director Performance Rights

(a) **Plan Rules**

Each Performance Right is issued subject to the rules of the Red Emperor Performance Rights Plan and otherwise on the following terms and conditions.

(b) **Entitlement**

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

(c) **Grant and exercise price**

No cash consideration is payable on the issue of or exercise of a Performance Right.

(d) **Expiry Date**

Unless otherwise determined by the rules of the Red Emperor Performance Rights Plan, each Performance Right will expire at 5:00 pm (WST) on that date that is three years from the date of issue (**Expiry Date**). A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Performance Rights will vest as follows:

- (i) Class A: the Volume Weighted Average Price over a period of 20 consecutive Trading Days on which trades in the Company's shares are recorded on ASX (**20 day VWAP**) being at least 15 cents;
- (ii) Class B: the 20 day VWAP being at least \$0.20; and
- (iii) Class C: the 20 day VWAP being at least \$0.25.

(each, a **Vesting Condition**).

(f) **Exercise Period**

The Performance Rights are exercisable at any time on and from the date upon which the relevant Vesting Condition has been satisfied, until the Expiry Date (**Exercise Period**).

(g) **Notice of Exercise**

The Performance Rights may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Performance Rights certificate (**Notice of Exercise**).

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

Following the date of receipt of a validly issued Notice of Exercise and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise; and
- (ii) 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.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the

Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing 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. If a Cleansing Notice 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.

(i) **Shares issued on exercise**

Shares issued on exercise of the Performance Rights rank equally with the then issued Shares of the Company.

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in exercise price or number of underlying securities**

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

(m) **No voting or dividend rights**

A Performance Right does not carry any voting rights or entitle the holder to any dividends.

(n) **Rights on winding up**

A Performance Right does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company. The Performance Rights do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise.

(o) **Transferability**

A Performance Right is not transferable.

Schedule 6 – Key terms of the Red Emperor Performance Rights Plan

The principle terms of the Red Emperor Performance Rights Plan are summarised below:

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

who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights issued under the Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights; or
 - (ii) a Change of Control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right;

- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Performance Right only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Performance Rights only, a relevant person ceases to be an Eligible Participant and the Performance Right granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right.
- (h) **Not transferrable:** Performance Rights are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (i) **Shares:** Shares resulting from the exercise of the Performance Rights shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (j) **Quotation of Shares:** If Shares of the same class as those issued upon exercise of Performance Rights issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
- (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights up to a maximum of seven (7) years from the grant date of the Performance Rights. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (l) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (m) **Change in number of underlying securities:** Unless specified in the offer of the Performance Rights and subject to compliance with the ASX Listing Rules, a Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including

consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

- (o) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan including giving any amendment retrospective effect.
- (p) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.
- (q) **Definitions:** Capitalised terms used in the above summary are as defined in the Red Emperor Performance Rights Plan, including:
- (i) **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.
- (ii) **Change of Control** means:
- A. a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in more than 50% of the Company's issued Shares;
 - B. a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - C. in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (iii) **Relevant Person** means:
- A. in respect of an Eligible Participant, that person; and
 - B. in respect of a nominee of an Eligible Participant, that Eligible Participant.
- (iv) **Special Circumstances** means:
- A. a Relevant Person ceasing to be an Eligible Participant due to:
 - i. death or Total or Permanent Disability of a Relevant Person; or
 - ii. Retirement or Redundancy of a Relevant Person;

- B. a Relevant Person suffering Severe Financial Hardship;
- C. any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
- D. any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.

RMP

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AWST) on Wednesday, 2 June 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Red Emperor Resources NL hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Red Emperor Resources NL to be held at Level 1, 35 Richardson Street, West Perth, WA 6005 on Friday, 4 June 2021 at 10:00 AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 11, 12, 13, 14, 15 and 16 (except where I/we have indicated a different voting intention in step 2) even though Items 11, 12, 13, 14, 15 and 16 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman, provided the Chairman is not a "Restricted Party" for the purposes of the Resolution.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 11, 12, 13, 14, 15 and 16 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain		For	Against	Abstain
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

