

Notice of General Meeting

9 July 2021

New Energy Minerals Limited (“**New Energy**”, the “**Company**”) (**ASX:NXE FRA:GGY**) provides the attached documents in relation to the General Meeting of the Company:

- Letter to Shareholders
- Notice of General Meeting
- Proxy Form.

The Company confirms that this announcement has been authorised and approved by its Board.

**New Energy
Minerals**

ABN 34 090 074 785
ASX Code: NXE

**newenergyminerals
.com.au**

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

Phone:
+61 (0)8 9217 2400

FOR FURTHER INFORMATION, PLEASE CONTACT:

New Energy Minerals Limited

Andrew Haythorpe

Managing Director info@newenergyminerals.com.au

+61 (08) 9217 2400

Dear Shareholder

New Energy Minerals Limited is convening a General Meeting of shareholders to be held on Monday, 9 August 2021 at 11:00am WST (**Meeting**).

The Australian Securities and Investments Commission (**ASIC**) has adopted a temporary ‘no-action’ position in relation to the convening and holding of shareholder meetings. The position follows on from the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020* which expired on 21 March 2021. ASIC’s ‘no action’ policy addresses, amongst other things, companies providing shareholders with details of an online location where the contents of a Notice of Meeting can be viewed and downloaded.

Accordingly, the Company is not sending hard copies of the Meeting materials to members. Instead, a copy of the Meeting materials can be viewed and downloaded online as follows:

- You can access the Meeting materials online at the Company’s website: <https://newenergyminerals.com.au/investor-dashboard/>
- A complete copy of the Meeting materials has been posted to the Company’s ASX Market announcements page at www2.asx.com.au under the Company’s ASX code “NXE”.

A copy of a blank Proxy Form is enclosed for your convenience. Please complete and return the attached proxy form to the Company’s company secretary Robert Marusco by:

- Post to: New Energy Minerals Ltd, Attention R Marusco Company Secretary PO Box 840 South Perth WA 6951
- Email to: robert.m@herebusiness.com.au
- Fax to: 08 9217 2401 within Australia or +61 8 9217 2401 outside Australia

The Company intends to hold a physical meeting.

The Board will continue to monitor Australian Government restrictions on public gatherings.

The situation is constantly evolving and accordingly we may make alternative arrangements to the way in which the Meeting is held. If this occurs, we will notify any changes by way of announcement on ASX and the details will also be made available on our website.

The Meeting materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

NEW ENERGY MINERALS LIMITED

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

Registered Office: PO Box 840, South Perth WA 6951

Perth Telephone: +61 (0) 8 9217 2400

ACN: 090 047 785

Sincerely



Ian C. Daymond
Non-Executive Chairman
New Energy Minerals Ltd

NEW ENERGY MINERALS LIMITED

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

Registered Office: PO Box 840, South Perth WA 6951

Perth Telephone: +61 (0) 8 9217 2400

ACN: 090 047 785

NEW ENERGY MINERALS LIMITED**ACN 090 074 785****(TO BE RENAMED 'GOLDOZ LIMITED')****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 11am (WST)
DATE: Monday, 9 August 2021
PLACE: C/ Here Business & Wealth
Boardroom
Level 1, 9 Bowman Street
South Perth WA 6151

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 11am (WST) on Saturday, 7 August 2021.

BUSINESS OF THE MEETING

The ASX and its officers take no responsibility for the content of this Notice.

AGENDA

1. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED TRANSACTION

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 Essential Resolutions, for the purpose of 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 proposed Transaction, as described in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a counterparty to the transaction that, of itself or together with one or more transactions, will result in a significant change to the nature and scale of the entity's activities and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a Shareholder), or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 all Essential Resolutions in this Notice being passed, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

- (a) every 70 Shares be consolidated into 1 Share; and
- (b) every 70 Options be consolidated into 1 Option with the exercise price amended in inverse to that ratio,

and, where this Consolidation results in a fraction of a Share or Option, being held, the Company be authorised to round that fraction up to the nearest whole Share or Option (as the case may be)."

3. RESOLUTION 3 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED TRANSACTION

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 Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,600,000 Shares (on a post-Consolidation basis) to the shareholders of Placer Gold (or their respective 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 Placer Gold (or its nominee/s) or any other 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 an associate of those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

4. RESOLUTION 4 – APPROVAL OF RIGHTS ISSUE

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 Essential Resolutions, for the purposes of the ASX Waiver and for all other purposes, approval is given for the Company to conduct the Rights issue on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the ASX Waiver, disregard any votes cast in favour of the Resolution by or on behalf of a person that is a substantial shareholder, any underwriter, sub-underwriter, broker or manager to the Rights Issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 OPTIONS TO BAKER YOUNG

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 Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Options (on a post-Consolidation basis) to Baker Young (or its nominee) 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 Baker Young (or its nominee/s) or any other person a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 SHARES – EMPIRE EXPLORATION PTY LTD

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Shares (on a post-Consolidation basis) to Empire Exploration Pty Ltd (or its nominee) 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 Empire Exploration Pty Ltd (or its nominee/s) or any other 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 an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 – ISSUE OF SHARES – ALAN MARTIN

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 Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 375,000 (on a post-Consolidation basis) Shares to Mr Alan Martin (or his nominee) 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 Mr Alan Martin (or his nominee/s) and any other 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 an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 – CHANGE OF COMPANY NAME

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

“That, subject to completion of the proposed Transaction and conditional upon the passing of all 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 Goldoz Limited.”

9. RESOLUTION 9 – REPLACEMENT OF CONSTITUTION

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

“That, subject to and conditional on the completion of the proposed Transaction, for the purposes of section 136(2) 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 chairman of the Meeting for identification purposes.”.”

10. RESOLUTION 10 – ISSUE OF SHARES TO RELATED PARTY – MR IAN DAYMOND

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 225,000 Shares (on a post-Consolidation basis) to Mr Ian Cunynghame Daymond (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Ian Daymond (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 remuneration of a member of the Key Management Personnel.

11. RESOLUTION 11 – ISSUE OF SHARES TO RELATED PARTY – MR ANDREW HAYTHORPE

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 200,000 Shares (on a post-Consolidation basis) to Mr Andrew Haythorpe (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Andrew Haythorpe (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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
 - (iii) 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:
 - (c) the proxy is the Chair; and
 - (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 12 – ISSUE OF SHARES TO RELATED PARTY – DR BERNARD OLIVIER

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 200,000 Shares (on a post-Consolidation basis) to Dr Bernard Olivier (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Bernard Olivier (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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:
 - (ii) a member of the Key Management Personnel; or
 - (iii) 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:
- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 13 – ISSUE OF SHARES TO RELATED PARTY – DR EVAN KIRBY

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 200,000 Shares (on a post-Consolidation basis) to Dr Evan Kirby (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Evan Kirby (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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:
- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 14 – ISSUE OF SHARES TO MR ROBERT MARUSCO

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 Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 100,000 Shares (on a post-Consolidation basis) to Mr Robert Marusco (or his nominee) 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 Mr Robert Marusco or his nominee/s and any other 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 entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

15. RESOLUTION 15 – ISSUE OF SHARES TO RELATED PARTY – MR ANDREW HAYTHORPE

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Shares (on a post-Consolidation basis) to Mr Andrew Haythorpe (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Andrew Haythorpe (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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:
 - (c) the proxy is the Chair; and
 - (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 16 – ISSUE OF SHARES TO RELATED PARTY – MR CHRISTIAAN JORDAAN

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 Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 98,335 Shares (on a post-Consolidation basis) to Mr Christiaan Jordaan (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Christiaan Jordaan (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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 remuneration of a member of the Key Management Personnel.

17. RESOLUTION 17 – ISSUE OF SHARES TO ARENA

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 Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 3,750,000 Shares (on a post-Consolidation basis) to Arena (or its nominee) 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 Arena (or its nominee/s) or any other 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 entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

18. RESOLUTION 18 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 27,670,743 Shares (on a pre-Consolidation basis) 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 a person who participated in the issue or is a counterparty to the agreement being approved (namely, John Campbell Smyth <Smyth Super Fund A/C>) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

19. RESOLUTION 19 – APPROVAL TO ISSUE OPTIONS

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 790,592 Options (on a post Consolidation basis), as free attaching Options to the Shares issued under Resolution 18 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 a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (namely, John Campbell Smyth <Smyth Super Fund A/C>) (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

20. RESOLUTION 20 – APPROVAL TO ISSUE SHARES

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 Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 Shares 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 a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

Dated: 8 July 2021
By order of the Board

Mr Robert Marusco
Company Secretary

EXPLANATORY STATEMENT

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

1. BACKGROUND TO THE PROPOSED TRANSACTION

1.1 Proposed Transaction

As announced by the Company on 24 May 2021, following the review of numerous mineral project opportunities over the past 18 months, the Company has entered into a binding agreement (**Share Sale Agreement**) with the shareholders of Placer Gold Pty Ltd (**Placer Gold**), to acquire 100% of the issued shares of Placer Gold (**Transaction**), the holder of three highly prospective gold-antimony tenements in Northern Queensland (**Project** or **Hurricane Project**).

Placer Gold is a Queensland-based, Queensland-owned and managed private company established in 2011 to explore, develop and mine gold and antimony deposits in the Hodgkinson Basin.

Following the settlement of the proposed Transaction the Company will be concentrating on a systematic exploration and growth strategy that aims to extend existing high-grade mineralisation, test multiple high priority regional prospects and deliver further developed data with a view to move towards a maiden mineral resource estimate.

The proposed Transaction is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the proposed Transaction and satisfying all other requirements of ASX for the reinstatement to official quotation of the Company's Shares on the ASX (among other things).

Further details with respect to the Project are set out in Schedule 4. A summary of the material terms of the Share Sale Agreement are set out in Schedule 1.

1.2 Background on the Company and re-compliance

The Company is an Australian public company, which was incorporated on 21 October 1999 and listed on the ASX on 10 May 2002 with the principal activity of mineral exploration. Through the Company's history it has been led by an experienced team of mining industry professionals with a record of ruby, graphite and vanadium discoveries in Mozambique.

On 14 May 2019 Shareholders resolved to dispose of the main undertaking of NXE by agreeing to sell the residual 50% of the issued shares in Balama Resources Pty Ltd which held the Balama Project (**Balama Transaction**). Following this approval, the Company extended the closing date for the Balama Transaction on numerous occasions for various reasons in order to satisfy the conditions precedent to the Balama Transaction, including receipt of a binding tax opinion from the tax authorities in Mozambique and Ministerial approval.

The Company experienced numerous challenges in obtaining the closing documentation. Furthermore, the Company, via its then subsidiary Balama Resources Ltd, terminated the Management and Technical Services Agreement with Regius Resources Group Ltd (**Regius**) following actions and omissions by Regius including the refusal by Regius to hand over documents and records of Balama's Mozambican subsidiaries which contributed to settlement delays.

Due to these delays, which also incorporated a material variation to the terms of the Balama Transaction, following consultation with the ASX, it was determined that the original shareholder approval for the disposal was no longer valid. The Company was required to seek fresh shareholder approval and update the Independent Expert Report pertaining to the disposal.

The follow-up EGM was held on 13 May 2020 when shareholders once again resolved to dispose of the main undertaking of NXE by agreeing to sell the residual 50% of the issued shares in Balama Resources Pty Ltd which held the Balama Project. The Balama Transaction finally closed on 17 July 2020.

During the course of disposing of its interest in the Balama Project, the Company's desire to seek a new project within 6 months of the disposal was reiterated publicly a number of times (including more definitively in its announcement on 14 July 2020) when the Balama Transaction was approaching closing.

Prior to closing, the NXE Board had reviewed a number of new project opportunities. Notwithstanding several potential gold project transactions having been identified, the Board at the time did not proceed, principally owing to concerns by some Directors that the Company was not in a position to take on additional project commitments until the sale of the Balama Project had been completed and a satisfactory settlement with Arena Structured Private Investments (Cayman) LLC (**Arena**) had been reached. The dispute with Arena had been the subject of many announcements by the Company from 2018 onwards and ultimately culminated in an announcement dated 12 February 2021 detailing the terms of settlement reached with Arena. See Section 14 below for further particulars.

The ASX Listing Rules allow a company to remain quoted on the ASX for a period of up to 6 months following disposal of its main undertaking, at which point, if no new opportunities or projects are secured, the ASX may suspend the company's shares from trading. Further, upon acquiring a new main undertaking, ASX may require the company to re-comply with Chapters 1 and 2 of the Listing Rules.

The Company had consulted with the ASX throughout the disposal process and following disposal of its main undertaking, NXE sought to identify new project opportunities that were considered to be likely to add value for shareholders. A considerable number of further project opportunities were reviewed and some negotiations were significantly advanced.

Finally, on 10 October 2020, NXE entered into the Share Sale Agreement for the Hurricane Gold Project. Due to the size (within the Company's 15% placement capacity) and nature (mineral exploration project), NXE made submissions to ASX that the transaction did not constitute a change to the nature and/or scale of the Company's activities for the purposes of Chapter 11 of the Listing Rules. Unfortunately, ASX did not agree with this position and determined that NXE would be required to re-comply with Chapters 1 and 2 of the Listing Rules as a result of the transaction. On 13 November 2020, following a period of voluntary suspension, ASX suspended NXE's securities from trading.

Following this determination, NXE was then required to submit an application for in-principle advice to ASX, seeking confirmation that the proposed structure and operations of NXE (assuming settlement of the Transaction) were suitable for a listed entity. This is a standard procedure for a re-compliance transaction but can take ASX some time to process the application and provide its in-principle approval for the transaction.

As part of this process, ASX required NXE to reach settlement with Arena before its application for in-principle approval could be heard by ASX's National Listings Committee. This requirement resulted in further delays as a settlement deed was negotiated with Arena.

Settlement was finally reached with Arena on 10 February 2021 and announced on 12 February 2021.

The Company received final in-principle approval from ASX on 23 March 2021.

1.3 Capital Consolidation

As part of the proposed Transaction, NXE proposes to undertake a \$5 million capital raising in order to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules. This includes satisfying ASX's "assets test" by having net tangible assets of at least \$4 million upon listing. Further, as part of the Proposed Transaction, the Company is seeking Shareholder approval to consolidate its existing issued capital on the basis that every seventy (70) Shares/Option on issue be consolidated into one (1) Share/Option, as applicable (**Consolidation**). This ratio was determined after taking into account the 20 cent issue price for new shares and market requirements for the raising of fresh capital.

ASX Listing Rule 2.1 condition 2 (the "20 cent rule") provides that an entity undertaking a capital raising in conjunction with a listing (including a re-compliance listing) will ordinarily be required to raise capital at a minimum issue price of \$0.20 per share. In certain circumstances however, there is scope to apply to ASX for a waiver from this requirement. The Company did apply for a waiver to issue new Shares at \$0.02 per share but ASX declined to grant the waiver in accordance with the ASX Listing Rules. This now means that it is necessary for new Shares to be issued at \$0.20 per share, compared to the last closing Share price of \$0.027. The Consolidation ratio should therefore be understood to have been determined in this context.

The Company has a significant number of Shares on issue and the Board considers the Consolidation will provide the best platform for growth into the future and a capital structure more in line with the Company's nature and scale of operations upon re-admission to trading. The Consolidation and capital raising price of \$0.20 should also assist the Company to attract investment from both existing Shareholders under the proposed non-renounceable rights issue as well as a wider range of new investors who may take up the shortfall under the rights issue.

As the Consolidation will apply equally to all Shareholders, individual Share holdings will be reduced by the same ratio as the total number of Shares (subject only to rounding of fractional components).

The current Options on issue will also be consolidated on a 1 for 70 basis, with the exercise price of the Options increasing by a factor of 70 to reflect the consolidation ratio, in accordance with ASX Listing Rule 7.22. The expiry date of the Options will not change.

Refer to the capital structure table below for further details of the impact of the proposed Transaction on the Company's capital structure.

1.4 Summary of Resolutions

This Notice of Meeting sets out the Resolutions necessary to complete the proposed Transaction and associated transactions, being Resolutions 1 to 7, 9, 17 and 20 (**Essential Resolutions**). Each of the Essential Resolutions are conditional

upon the approval by Shareholders of each of the other Essential Resolutions. If any of the Essential Resolutions are not approved by Shareholders, all of the Essential Resolutions will fail, and completion of the proposed Transaction will not occur.

A summary of the Essential Resolutions is as follows:

- (a) **(Resolution 1)**: the proposed Transaction, if successfully completed, will represent a significant change in the nature and scale of the Company's operations, for which Shareholder approval is required under Listing Rule 11.1.2;
- (b) **(Resolution 2)**: in connection with the Transaction and re-compliance, the Company will undertake a 70:1 capital consolidation (refer to Section 1.3 for further details);
- (c) **(Resolution 3)**: the issue of 2,600,000 Shares to the shareholders of Placer Gold (or their nominee/s) in consideration for the proposed Transaction;
- (d) **(Resolution 4)**: approval for the Company to undertake the Rights Issue on the proposed terms, in accordance with the ASX Waiver;
- (e) **(Resolution 5)**: approval for the Company to issue 5,000,000 Options to Baker Young (or its nominees) as part consideration for their services as lead manager to the Capital Raising;
- (f) **(Resolutions 6 and 7)**: which relate to the issue of shares to introducers of the Transaction;
- (g) **(Resolution 9)**: approval to replace the Company's Constitution in order to incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted;
- (h) **(Resolution 17)**: approval for the Company to issue a total of 3,750,000 Shares to Arena under the First Equity Tranche; and
- (i) **(Resolution 20)**: approval for the Company to issue 5,000,000 Shares under the Placement.

In addition, the Company is seeking Shareholder approval for various other non-Essential Resolutions.

Resolution 8 (which relates to the change of the Company's name), Resolutions 10 to 16 (which relate to the issue of Shares to the Directors and Company Secretary), Resolutions 18 and 19 (which relate to the ratification of a prior placement of Shares to raise funds for working capital purposes, together with approval for a 2 for 1 free attaching option) are conditional upon and subject to the Essential Resolutions being passed but are not themselves Essential Resolutions.

1.5 Regulatory Matters

No person or entity will acquire a holding of Shares of, or increase their holding, to an amount in excess of 20% of all the Shares on issue at completion of the proposed Transaction.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the proposed Transaction. The proposed

Transaction is conditional on the Company obtaining all necessary regulatory and Shareholder approvals and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (amongst other things).

The Company has made a number of enquiries and investigations into the Placer Gold and the Hurricane Project. The Company provided project data obtained from Placer Gold to and requested each of Dr Bernard Olivier (qualified geologist) and Dr Evan Kirby (qualified metallurgist) to review the Hurricane Project and also provided the project data to and requested asked Dr Harry Wilhelmij (geologist) and one other external geologist on a confidential basis to review the merits of the Hurricane Project. Each of the selected geologists concerned responded that the Hurricane Project had considerable merit. Dr Kirby reviewed the Project from a project development perspective and also responded positively.

The Company has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of Placer Gold for the Company's Board to be satisfied that the proposed Transaction is in the best interests of the Company and its Shareholders, subject to it completing the various conditions precedent of the Share Sale Agreement to its satisfaction.

The Company notes that the Share Sale Agreement contains a condition precedent that the Company completes due diligence to its satisfaction. The Company has not yet satisfied or waived this condition precedent. However, the Company intends to complete such due diligence prior to lodging the Prospectus and seeking reinstatement of its Shares to official quotation.

Should the full due diligence programme uncover material findings which are unable to be remedied, the Company will not proceed with the Transaction. In this event, the Company will instead seek to obtain subsequent opportunities to be re-admitted to the Official List of the ASX. Such search for other opportunities will undoubtedly entail the Company having to raise additional capital.

The Board considers it is prudent to seek Shareholder approval prior to completion of the full due diligence programme, so as to allow for a minimal period between the completion of the Meeting and the opening of the Rights Issue.

ASX has an absolute discretion in deciding whether or not to re-admit the Company to the Official List and to reinstate the Company's Shares to quotation on the Official List and therefore the proposed Transaction may not proceed if ASX exercises that discretion. Investors should take account of these uncertainties in deciding whether or not to buy or sell the Company's Securities.

1.6 Previous Security Issues

On 15 June 2021, the Company issued 27,670,743 Shares (on a pre-Consolidation basis) at an issue price of \$0.0022857 per Share to raise \$63,247 (refer to Resolution 18 for further details). Otherwise, the Company has not issued any securities in the 6 months prior to the date of this Notice.

Placer Gold has not issued any securities in the 6 months prior to the date of this Notice.

1.7 Business Model

Following completion of the Capital Raising and the proposed Transaction, the Company's proposed business model will be to focus on further exploration and

development of the Hurricane Project. The Company's objectives on re-admission are:

- (a) advance its geological understanding of the Project via exploration and drilling;
- (b) target expansion of resources and newly discovered areas; and to a lesser extent to;
- (c) pursue other mineral exploration or resource acquisition opportunities that may have a future strategic fit for the Company and have the potential to deliver growth for Shareholders.

1.8 Dependencies of the Business Model

The key dependencies influencing the viability of the proposed Transaction are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable re-admission to quotation of the Company's Securities;
- (b) completion of the proposed Transaction;
- (c) tenure and access to the tenements comprising the Hurricane Project;
- (d) commodity price volatility and exchange rate risk;
- (e) ability to meet resource and reserves and exploration targets;
- (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs; and
- (g) minimising environmental impact and complying with health and safety requirements.

1.9 Key Investment Highlights

The Directors are of the view that the key highlights on an investment in the Company include:

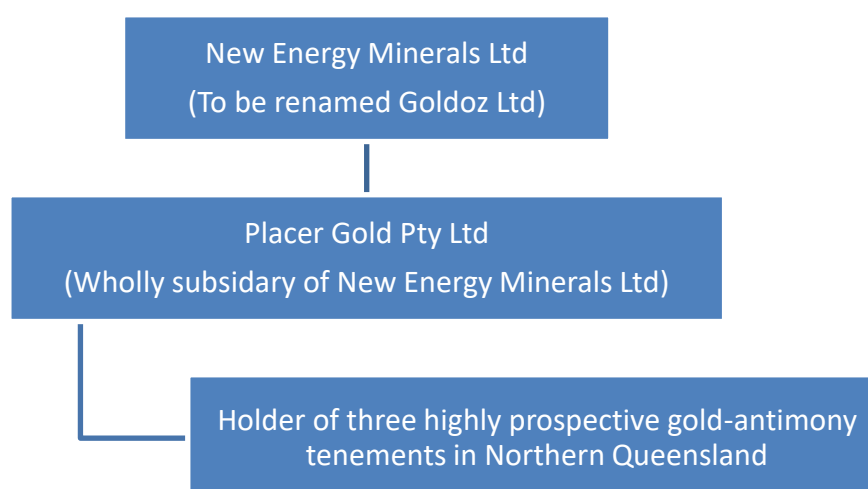
- (a) on completion of the capital raising, the Company will have sufficient funds to implement its exploration and near-term gold resource development strategy;
- (b) the Hurricane Project in northern Queensland is considered by the Board to be highly prospective for gold and antimony;
- (c) a highly credible and experienced team to progress exploration and accelerate potential development of the Project; and
- (d) a historic database that allows the Company to focus on the most prospective areas;
 - (i) rock chip samples from surface-oxidised quartz breccia veins contain significant gold grades;
 - (ii) some of the rock chip samples from the quartz breccia veins contain significant antimony grades;

- (iii) a 60kg bulk metallurgical surface sample from the Tornado Vein confirmed the surface gold mineralisation is oxidised and non-refractory; gold recovery of 99% from leaching with fast kinetics is possible; and the possibility of a low capex gold heap-leach operation.
- (e) a staged exploration programme planned is to commence in coming months with focus on resource drilling to obtain a JORC 2012-compliant near surface, oxidised mineral resource.

1.10 Group Structure

At the time of completion of the proposed Transaction, the Company will own 100% of the issued capital of Placer Gold. In consideration for the sale of 100% of the issued capital of Placer Gold, Placer Gold shareholders will be issued Shares in the Company pro-rata to their existing shareholding in Placer Gold, the number of Shares in the Company equal to \$520,000 divided by the Capital Raising price of \$0.20 (2,600,000 Shares) at the settlement of the proposed Transaction, the subject of Resolution 3.

Upon completion of the proposed Transaction, the corporate structure of the Company is intended to be as follows:



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

ASX has advised the Company that as the proposed Transaction will amount to a significant change in the nature and scale of the Company's activities, the Company is required to obtain Shareholder approval for the proposed Transaction and must re-comply with Chapters 1 and 2 of the Listing Rules before it can be re-instated to trading on the ASX (including any ASX requirement to treat the Company's Securities as restricted Securities).

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the proposed Transaction. The proposed Transaction is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the proposed Transaction and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (among other things).

If any of the Essential Resolutions are not approved at the Meeting, the proposed Transaction will not be able to proceed, and the Company's Securities will likely remain suspended from trading.

1.12 ASX waivers and confirmations obtained

The Company has been granted a waiver from ASX from the requirements of ASX Listing Rules 7.11.3 to enable the Company to undertake the Rights Issue on the terms contemplated above. ASX Listing Rule 7.11.3 provides that the ratio of securities offered by a listed entity for a pro rata issue must not be greater than one for one unless the offer is renounceable and the issue price is not more than the average market price for the securities in that class, calculated over the last 5 days on which sales in the securities were recorded before the day on which the pro rata issue was announced.

The Company has been granted waivers from ASX from the requirements of ASX Listing Rule 10.13.5, to enable the Company to issue:

- (a) 500,000 Shares to Empire Exploration Pty Ltd (the subject of Resolution 6) (**Introducer Shares**); and
- (b) 1,000,000 Shares to its new Managing Director, Andrew Haythorpe, (the subject of Resolution 15) (**Related Party Shares**),

outside of the 1 month period following shareholder approval that is ordinarily mandated by ASX Listing Rule 10.13.5 (the subject of Resolution 15).

The waivers are required as the issue of these Shares is conditional on the receipt of conditional re-admission approval from ASX, which is unlikely to occur within 1 month of the date of the General Meeting at which the re-compliance resolutions will be considered.

The full terms of these waiver decisions are set out below:

(a) Resolution 6 – Introducer Shares

ASX grants the Company a waiver from listing rule 10.13.5 to the extent necessary to permit the Company's Notice of Meeting to state that the Introducer Shares will be issued later than 1 month after the date on which the issue of the Introducer Shares is approved at a meeting of the Company's ordinary security holders, subject to the following conditions:

- (i) the Introducer Shares are issued by no later than the date that the Capital Raising Shares are issued, which must be no later than 3 months after the date of the Meeting;
- (ii) the Notice of Meeting discloses the full terms and conditions of the Introducer Shares and the Introducer Shares are issued pursuant to those terms and conditions;
- (iii) the circumstances of the Company, as determined by the ASX, have not materially changed since the Company's shareholders approved the issue of the Introducer Shares; and
- (iv) the terms of this waiver are clearly disclosed in the Notice of Meeting and in the Prospectus to be issued in respect of the Capital Raising.

(b) Resolution 15 – Related Party Shares

ASX grants the Company a waiver from listing rule 10.13.5 to the extent necessary to permit the Company's Notice of Meeting to state that the Related Party Shares will be issued later than 1 month after the date on which the issue of the Introducer Shares is approved at a meeting of the Company's ordinary security holders, subject to the following conditions:

- (i) the Related Party Shares are issued by no later than the date that the Capital Raising Shares are issued, which must be no later than 3 months after the date of the Meeting;
- (ii) the Notice states that a maximum of 1,000,000 Related Party Shares will be issued;
- (iii) the circumstances of the Company, as determined by the ASX, have not materially changed since the Company's shareholders approved the issue of the Related Party Shares; and
- (iv) the terms of this waiver are clearly disclosed in the Notice of Meeting and in the Prospectus to be issued in respect of the Capital Raising and the Notice contains the full terms and conditions of the Related Party Shares as well as the conditions of this waiver.

In addition to the above waivers, the Company also intends to seek in-principle confirmation from ASX that the Company will not be in contravention of ASX Listing Rule 1.1 (Condition 11) as a result of making certain cash payments as part consideration for the Transaction (refer to Schedule 1 for further details).

1.13 Indicative timetable

An indicative timetable for completion of the proposed Transaction and the associated transactions set out in this Notice is set out below:

Event	Date*
Announcement of Transaction of Hurricane Project	24 May 2021
Dispatch Notice of Meeting	9 July 2021
Shareholder Meeting Effective date for the Consolidation ASX notified whether Shareholder approval has been granted for the Consolidation	9 August 2021
Last day for trading in pre-Consolidation securities**	10 August 2021
Date that securities commence trading on a deferred settlement (post-Consolidation) basis**	11 August 2021
Record Date for the Consolidation** Last day to register transfers on a pre-Consolidation basis**	12 August 2021
Company to send notice to each security holder of the change in their details of holdings and to notify ASX that this has occurred Company to register securities on a post-Consolidation basis and issue of new holding statements	13 August 2021

Event	Date*
Prospectus lodged with ASIC	13 August 2021
Record Date for Rights Issue	19 August 2021
Prospectus despatched to shareholders	24 August 2021
Last day to extend the Rights Issue Closing Date	30 August 2021
Rights Issue Closing Date	2 September 2021
Announcement of Results of Rights Issue	7 September 2021
Settlement of Transaction and issue of shares under Rights Issue	9 September 2021
Expected date of Reinstatement to trading (subject to the Company re-complying with Chapters 1 & 2 of the Listing Rules)	21 September 2021

*Please note this timetable is indicative only and the Directors reserve the right to amend the timetable as required.

** Trading in the Company's Securities on ASX is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules following completion of the Transaction. These items have been included in the timetable for consistency with the standard ASX mandated timetable to effect a capital restructure.

1.14 Capital Raising

To assist the Company to re-comply with Chapters 1 and 2 of the Listing Rules and to support its strategy post-completion of the proposed Transaction, the Company is targeting to raise \$5 million at an issue price of \$0.20 per Share (**Capital Raising**),

Subject to receiving Shareholder approval, the Capital Raising will comprise of a non-renounceable rights issue to existing shareholders of 6.6 new Shares for every 1 Share held to raise up to \$4 million (**Rights Issue**) together with a placement of 5,000,000 new Shares to professional and sophisticated investors identified by Baker Young, to raise a further \$1 million (**Placement**).

The Rights Issue will not be underwritten. However, Baker Young has been engaged as lead manager to the Capital Raising and, to the extent the Rights Issue is under-subscribed, will seek to place the shortfall to existing Shareholders who have applied for additional Shares under the shortfall offer, or otherwise, unrelated third-party investors.

The Rights Issue is the subject of Resolution 4.

The Placement is the subject of Resolution 20.

Funds raised under the Capital Raising are intended to be used in the manner set out in Section 1.15. The effect of the Capital Raising is shown in the pro forma structures in Section 1.17.

1.15 Proposed Use of Funds

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

Funds available	Minimum Subscription (\$)
Existing cash reserves ⁴	260,000
Funds raised from the Rights Issue	4,000,000
Funds raised from the Placement	1,000,000
Total	5,260,000
Allocation of funds	
Exploration works programme ²	2,065,000
Cash re-imbursement to vendors of the Hurricane Project	205,000
Settlement of Arena dispute ¹	500,000
Corporate overhead and administration ⁵	540,000
Due diligence	150,000
Expenses of the Transaction	400,000
Working capital ³	1,400,000
Total	5,260,000

Notes:

1. Refer to the Company's announcement dated 12 February 2021 for further details.
2. Proposed exploration work programmes totalling \$2,065,000 staged to allow for results from each stage to be assessed and considered before commencing the next stage of work.

Staged exploration strategy	Estimated A\$
Ground truthing, geological mapping and follow-up rock chip sampling and assaying	\$50,000
Airborne EM and magnetic survey to identify structure and intrusives to provide drill targets	\$250,000
Ground IP surveys to further pin-point drill targets	\$150,000
Identification of possible drill sites for fan drilling to intersect oxide and sulphide mineralisation in vein sets	\$5,000
Cultural Heritage	\$15,000
Drill site preparation, access roads, and exploration diamond drilling	\$500,000
Assays and JORC reporting	\$60,000
Resource drilling subject to results of exploration drilling	\$760,000
Assays and reporting	\$100,000
Metallurgical testwork subject to results of above	\$75,000
Project management	\$100,000
Exploration Total	\$2,065,000

3. This amount includes the provision for up to \$600,000 contingent cash payment to Arena in the event that share approval is not received for the second equity settlement tranche (\$600,000). Refer to the Company's announcement dated 12 February 2021 for further details.
4. As at 14 May 2021. The Company is currently in discussions with the Baker Young with respect to the procurement of a potential working capital loan of circa \$100,000 from an unrelated third-party lender. It is proposed that the loan would be convertible into Shares at a conversion price of no less than \$0.16 per Share upon completion of the Transaction and re-admission of the Company to the Official List of the ASX. Such funds would be allocated to working capital in the above use of funds table.
5. Including the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
6. To the extent that:
 - a. the Company's exploration activities warrant further exploration activities; or
 - b. the Company is presented with additional transaction opportunities,

the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

It is anticipated that the funds raised under the Capital Raising will enable 2 years of full operations. It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of Project. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the Project or to capitalise on acquisition opportunities in the resources sector.

The above table is a statement of current intentions as of the date of this announcement. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

It should be noted that the Company's budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration and evaluation work carried out. This will involve an ongoing assessment of the Company's mineral interests. The results obtained from exploration and evaluation programmes may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

The above table is a statement of current intentions as at the date of this announcement. As with any budget, intervening events, including exploration success or failure, and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Capital Raising, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 1.24.

1.16 Lead Manager

The Capital Raising will not be underwritten.

The Company has appointed a Baker Young as lead manager to the Capital Raising and has agreed to pay Baker Young the following fees in connection with this role:

- (a) 2% of the amount raised under the Rights Issue from existing shareholders of the Company;
- (b) 6% on the amount raised from the Placement and third party investors from placing the shortfall to the Rights Issue (excluding funds procured from subscription by existing Shareholders of the Company); and
- (c) 5 million options, exercisable at \$0.25 and expiring 3 years from their date of issue.

1.17 Pro forma capital structure

The proposed capital structure of the Company following completion of the Consolidation, Capital Raising, proposed Transaction and issues of all Securities contemplated by this Notice is set out below.

Shares	Number
Current Shares on issue in the Company (pre-consolidation)	212,142,364
Shares on issue post-consolidation (70:1)	3,030,605
Shares to be issued in consideration for the Transaction (the subject of Resolution 3)	2,600,000
Shares to be issued pursuant to the Rights Issue (the subject of Resolution 4)	20,000,000
Introducer Shares ¹ (the subject of Resolutions 6 and 7)	875,000
Shares to be issued to Arena under the First Equity Tranche (the subject of Resolution 17) ²	3,750,000
Shares to be issued to directors & company secretary in lieu of accrued director fees (the subject of Resolutions 10 to 14)	925,000
Shares to be issued to Managing Director under his Executive Services Agreement (the subject of Resolution 15)	1,000,000
Shares to be issued to Christiaan Jordaan under his Executive Service Agreement in lieu of cash payment (the subject of Resolution 16)	98,335
Shares to be issued pursuant to the Placement (the subject of Resolution 20)	5,000,000
TOTAL SHARES³	37,278,940

Notes:

- In connection with the Transaction, the Company has agreed to pay introducer fees comprising \$100,000 in shares to Empire Exploration Pty Ltd and \$75k in shares to Mr Alan Martin at a deemed issue price of \$0.20 per share. It is noted that NXE director, Ian Daymond, holds 5.64% of the issued capital of Empire Exploration Pty Ltd and is a director of Empire Exploration Pty Ltd.
- Lock-up provisions will apply to the first equity tranche, so that Arena cannot sell more than: 25% of the shares in the first 3 months; 50% in the first 6 months; and 75% in the first 9 months, or such other escrow period as may be determined by ASX as a condition of relisting.

In addition, under the settlement deed with Arena, the Company has agreed, subject to shareholder approval, to issue Arena \$600,000 in shares on the date which is 12 months after the relisting (or on such earlier date as mutually agreed by the parties), subject to any escrow period as may be determined by ASX. The price used to determine the number of shares issued will be calculated according to New Energy's average share price in the 5 trading days preceding the date of issue. In the event that shareholders decline to approve the equity placement, the amount of \$600,000 shall immediately become due and payable as an unsecured debt.

Refer to Resolution 17 and the Company's announcement dated 12 February 2021 for further details.

3. If all existing Shareholders were to take up their full entitlements under the Rights Issue (20,000,000 shares) then existing shareholders would own approximately 62% of the enlarged issued capital following the Transaction. However, it is likely that there will in fact be a shortfall in existing Shareholders taking up their full entitlements.

Options	Number of Shares
Options on issue on date of General Meeting (pre-consolidation)	28,385,682
Options on issue post-consolidation (70:1)	405,510 ¹
Options to be issued to Baker Young (Resolution 5)	5,000,000 ²
Options to be issued pursuant to Resolution 19	790,592 ³
TOTAL SHARES	6,196,102

Notes:

1. Comprising:
 - a. 4,411 options exercisable at \$12.46 on or before 25 October 2021;
 - b. 329,670 options exercisable at \$9.80 on or before 10 June 2022; and
 - c. 71,429 options exercisable at \$1.61 on or before 20 December 2022.
2. Exercisable at \$0.25 and expiring 3 years from their date of issue.
3. Exercisable at \$0.25 and expiring 3 years from their date of issue.

No person will acquire a holding of Shares of, or increase their holding, to an amount in excess of 20% of all the Shares on issue on completion of the proposed Transaction.

In addition to the above, the Company currently has 3,389,189 performance rights on issue that are proposed to be cancelled as part of the proposed Transaction, prior to completion of the Consolidation.

1.18 Pro forma balance sheet and financial effect of the proposed Transaction

The pro-forma balance sheet of the Company following completion of the proposed Transaction and issues of all Securities contemplated by this Notice is set out in Schedule 3. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma balance sheet sets out the principal effect of the proposed Transaction on the consolidated total assets and total equity interests of the Company.

The Company does not expect to generate revenues from operations or sale of assets during the relevant period.

The effect of the proposed Transaction on the Company's expenditure will be to increase expenditure as contemplated by the use of funds table set out above.

1.19 Composition of the Board of Directors

The Board of Directors of the Company and management comprises the following experienced team to take the Company forward in the gold sector:

(a) **Ian Daymond** – *Non-Executive Director / Chairman*

Mr Daymond practised as a solicitor for more than 41 years as an external or in-house lawyer and as a consultant in the mining and resources area, including Western Mining Corporation Ltd as corporate solicitor, floating gold companies in the mid-1980s and Delta Gold Ltd where he was general counsel and company secretary for more than 11 years which saw that company grow from a small gold explorer into one of the largest gold producers in Australia, with significant platinum and gold mining interests in southern Africa. Mr Daymond has significant independent director experience, having served as a non-executive director of International Base Metals Ltd with substantial copper interests in Namibia and is the former chairman of Eldore Mining Corporation Ltd (ASX: EDM), ActivEX Ltd (ASX: AIV) and Copper Range Ltd (ASX: CRJ) and a former non-executive director of Hill End Gold Ltd (HEG).

He has served as a director of New Energy Minerals since July 2014 and as non-executive chairman since 2015. He currently is the non-executive chairman of Wild Dog Resources Inc, a Canadian private company with copper/gold interests in Papua New Guinea and which intends to seek a listing on the Canadian Securities Exchange later in 2021. Mr Daymond was the national chairman of the Australia-Southern Africa Business Council from 2002 to 2005 and has substantial business, legal, corporate and governance experience. His experience in precious, base metals and diamond projects is not only in Australia but also in southern Africa for more than 25 years. He has been the inaugural Honorary Consul for the Republic of Botswana in NSW, Australia since May 2007.

(b) **Mr Andrew Haythorpe** – *Managing Director – Geologist*

Mr Haythorpe has a BSc (Hons) in Economic Geology from James Cook University in Townsville, Queensland and joins the Company as a very experienced gold geologist, former gold mining analyst and Director with considerable public company experience. He is familiar with many gold projects in northern Queensland and across Australia and is currently Chairman of Allup Sand Pty Ltd and a Director of Lithium Consolidated and Stunalara Pty Ltd (BetterCells) and Founder of Ouro Pty Ltd – which focusses mostly on gold company review and investment appraisals.

He brings extensive experience in all aspects of gold exploration and project advancement, having worked as a geologist in gold drilling campaigns in Queensland and Victoria, and later advanced Crescent Gold through exploration into production as Managing Director in Western Australia.

He is well placed to introduce additional gold projects to the Company for review for possible acquisition in the future.

(c) **Bernard Olivier** – *Non-Executive Director*

Dr Olivier is a qualified geologist and has been involved with the mining and exploration industry for the past 22 years. He has over 13 years' experience as a public company director of ASX-listed and AIM-quoted

mining and exploration companies and is currently executive director of Lexington Gold Ltd (LSE:LEX), formerly Richland Resources Ltd (AIM:RLD).

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

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

(d) **Evan Kirby – Non-Executive Director**

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

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

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

1.20 Director Interests in Securities

Directors are not required under the Constitution to hold any Shares to be eligible to act as a Director.

Details of the Directors' relevant interest in the Securities of the Company upon completion of the proposed Transaction (assuming the Capital Raising is fully subscribed) are set out in the table below (on a post-Consolidation basis):

Director	Shares	Entitlement under Rights Issue	Shares to be issued in lieu of director fees
Andrew Haythorpe	Nil	Nil	1,200,000 ¹
Ian Daymond	32,143	212,144	225,000 ²

Bernard Olivier	59,222	390,865	200,000 ³
Evan Kirby	42,175	78,355	200,000 ⁴

Notes:

1. Refer to Resolutions 11 and 15 for further details.
2. Refer to Resolution 10 for further details.
3. Refer to Resolution 12 for further details.
4. Refer to Resolution 13 for further details.

Each of the Directors intends to participate in the Rights Issue, to the maximum extent affordable, to the extent of their personal entitlements.

1.21 Advantages of the proposed Transaction

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 Company will obtain a 100% legal and beneficial interest in the Hurricane Project, providing the Company with a significant opportunity to establish itself as a prominent exploration and mining company in Australia;
- (b) the potential increase in market capitalisation of the Company following completion of the proposed Transaction may lead to access to improved equity capital market opportunities and increased liquidity;
- (c) Shareholders may be exposed to further debt and equity opportunities that the Company was not exposed to prior to the proposed Transaction; and
- (d) the Company will re-comply with the Listing Rules, ensuring its re-instatement to quotation and continued liquidity of its listed Shares (however, the Company notes that the ASX reserves the right to re-admit the Company and there is no guarantee that the Company will successfully re-comply with Chapters 1 and 2 of the Listing Rules).

1.22 Proposed Disadvantages of the Transaction

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 nature and/or scale of its activities which may not be consistent with the objectives of all Shareholders;
- (b) the consolidation, proposed Transaction and Capital Raising will have a significant a dilutionary effect on the holdings of Shareholders;
- (c) there are inherent risks associated with the change in nature of the Company's activities. Some of these risks are summarised in Section 1.24 below; and
- (d) future outlays of funds from the Company may be required for its proposed business and exploration operations.

1.23 Restricted Securities and free float

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules and completing the Rights Issue, certain Securities on issue (including the Shares issued in consideration for the proposed Transaction (**Consideration Shares**)) may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

The Shares issued pursuant to the Capital Raising, however, will not be classified as restricted securities and will not be required to be held in escrow.

The Company expects to announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will not be less than 20%, in compliance with ASX Listing Rule 1.1 Condition 7.

1.24 Risk Factors

The key risks of the proposed Transaction are:

(a) Risks relating to Change in Nature and Scale of Activities

(i) Completion Risk

Pursuant to the Share Sale Agreement, the Company has a conditional right to acquire 100% of the issued capital in Placer Gold.

The proposed Transaction constitutes 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 Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following settlement of the proposed Transaction.

There is a risk that the conditions for settlement of the proposed Transaction cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotation of its Securities on the ASX. If the proposed Transaction is not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, Shares will not be able to be traded on the ASX until such time as the Company has recompiled with Chapters 1 and 2 of the Listing Rules and Shareholders may be prevented from trading their Shares until such time as a successful re-compliance is completed.

(ii) Dilution Risk

The Company currently has 3,030,605 Shares on issue (on a post-Consolidation basis). In connection with the Transaction and re-

compliance, the Company proposes to issue an additional 34,248,335 Shares and 5,790,592 Options (refer to Section 1.17 for further details). The issue of additional securities, together with the proposed 70:1 consolidation (refer to Resolution 2) will have a significant dilutionary effect on the holdings of Shareholders.

(b) **Risks relating to the Company**

(i) **Suspension**

As the Company's Shares have been suspended from trading for approximately 8.5 months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that that prices at which Shares trade will increase following completion of the proposed Transaction and Capital Raising. The prices at which Shares trade may be above or below the price of the Capital Raising and may fluctuate in response to several factors.

(ii) **Exploration and operating**

The Hurricane Project is an exploration project, and potential investors should understand that mineral exploration and development are high-risk undertakings.

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 also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Project.

(iii) **Mine development**

Possible future development of a mining operation at the Company's projects is dependent on a number of factors including, but not limited to, the Transaction 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, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(iv) **Additional requirements for capital**

The funds to be raised under the Capital Raising are considered sufficient to meet the immediate objectives of the Company. 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.

In addition, should the Company consider that its exploration results justify commencement of production on the Project, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Notice.

Following completion of the Capital Raising, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the Company's proposed expansion 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.

(v) **Covid-19**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19, including limitations on travel to jurisdictions in which the Company identifies potential end-users for its products, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company confirms that it has

not been materially affected by the COVID-19 pandemic to date.

The Company is monitoring the situation closely and considers the impact of COVID-19 on the Company's business and financial performance to be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(vi) **Climate Change**

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. 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, 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.

(vii) **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.

(c) **Industry-Specific Risks**

(i) **Tenure and renewal**

Mining and exploration licences are subject to periodic renewal. There is no guarantee that current or future licences or future applications for production licences will be approved.

The mineral licences are subject to the applicable mining acts and regulations in Queensland, Australia. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(ii) **Exploration Costs**

The exploration costs of the Company 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 uncertainties and, accordingly, the actual costs may materially differ from these 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.

(iii) **Exploration Success**

The mineral assets in which the Company will acquire an interest are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these assets, or any other assets that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(iv) **Resource, Reserves and Exploration Targets**

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.

(v) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

(vi) **Environmental**

The operations and proposed activities of the Company are subject to Australian laws and regulations 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.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(d) **General Risks**

(i) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

(ii) **Commodity price volatility and exchange rate risk**

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.

As the Company's Shares have been suspended from trading for approximately 11 months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that the prices at which Shares trade will increase following settlement of the proposed Transaction and Rights Issue. The prices at which Shares trade may be above or below the price of the Rights Issue and may fluctuate in response to a number of factors.

(iii) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company.

(iv) **Market conditions**

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

- (A) general economic outlook;
- (B) introduction of tax reform or other new legislation;
- (C) currency fluctuations;
- (D) interest rates and inflation rates;
- (E) changes in investor sentiment toward particular market sectors;
- (F) the demand for, and supply of, capital; and
- (G) 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 or the Directors warrant the future performance of the Company or any return on an investment in the Company.

Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(v) **Agents and contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(vi) **Force majeure**

The Company's projects 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, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(vii) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation other than the Arena matter referred to below.

On 12 February 2021 the Company announced that it had reached a settlement with Arena. The settlement of all claims between New Energy and Arena has been reached without admissions as to liability. Settlement is conditional on, among other things, completion of the Transaction. Please refer to the Company's announcement on 12 February 2021 for further information and see Section 14 for further details.

1.25 Plans for the Company if completion of the Transaction does not occur

If any of the Essential Resolutions are not passed and the proposed Transaction is therefore not able to be completed, the Company will continue to look for alternative potential business acquisitions to take the Company forward. However, such search will most likely entail the raising of additional capital.

If any of the Essential Resolutions are not passed and the proposed Transaction is therefore not able to be completed, then the conditions precedent regarding the settlement with Arena will not be satisfied and the settlement deed will automatically terminate and the parties will revert to their positions prior to the settlement terms being agreed.

In addition, if any of the Essential Resolutions are not passed, and the proposed Transaction does not proceed, the Company has reserved the right to terminate the executive service agreement with Mr Andrew Haythorpe immediately, with no termination benefits payable by the Company to Mr Haythorpe.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing

Rules following completion of the proposed Transaction or can otherwise satisfy ASX that its level of its operations are sufficient for the purposes of Listing Rule 12.1.

1.26 Directors' interests in the Transaction

None of the Directors have any interest in the proposed Transaction, other than as disclosed in this Notice.

1.27 Vendors' interests in the Company

None of the Placer Gold vendors (or their associates) are related parties of the Company.

None of the Placer Gold vendors have any interest in the Company, other than as disclosed in this Notice.

1.28 Forward-looking statements

The forward-looking statements in this Explanatory Statement are based on the Company's current expectations about future events. However, they are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Explanatory Statement. These risks include but are not limited to, the risks detailed in Section 1.24. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

2. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks the approval of Shareholders for a change in the nature and scale of the Company's activities via the proposed Transaction.

A detailed description of the proposed Transaction is outlined in Section 1 above. The key terms and conditions of the Share Sale Agreement and the Placer Gold Agreement are set out in Schedule 1 of this Notice.

2.2 Listing Rule 11.1

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 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 proposed Transaction requires the

Company, in accordance with 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 Listing Rule 11.1.2

The Company is proposing to undertake the proposed Transaction and to re-comply with the Listing Rules.

Listing Rule 11.1.2 empowers ASX to require a listed company to obtain the approval of its shareholders to a significant change to the nature or scale of its activities. The proposed Transaction will involve a significant change to the nature or scale of the Company's activities for these purposes and, as its usual practice, ASX has imposed a requirement under Listing Rule 11.1.2 that the Company obtain shareholder approval to the proposed Transaction.

Resolution 1 seeks the required Shareholder approval to the proposed Transaction and for the purposes of Listing Rule 11.1.2.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the proposed Transaction, which will allow the Company to change the nature and scale of its activities.

If Resolution 1 is **not** passed, the Company will not be able to proceed with the proposed Transaction. As a result, the Company will be unable to undertake the change of nature and scale of its activities and will remain suspended until such time as the Company is able to identify a suitable project and re-comply with Chapters 1 and 2 of the Listing Rules (if it all) and the Company will not be in a position to satisfy its obligations under the agreed deed of settlement with Arena (as announced on 12 February 2021) and the Company will have the right to terminate the service of Mr Haythorpe as Managing Director of the Company without being liable to pay any termination benefits in the absence of agreement to the contrary.

3. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

3.1 Background

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 212,142,364 to 3,030,605 (subject to rounding); and
- (b) Options on issue will be reduced from 28,385,382 to 405,510 (subject to rounding).

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.

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 70. 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 two Business Days after the Effective Date (as set out in the timetable below), 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 Section 1.17 above.

The effect the Consolidation will have on the terms of the Options on issue will be (a) the number of Options on issue will decrease by a factor of 70, and (b) the exercise price of the Options on issue will increase by a factor of 70. Refer to Section 1.17 above for further details.

3.7 Indicative timetable*

If Resolution 2 is passed, the reduction of capital will take effect in accordance with the timetable in Section 1.13.

4. RESOLUTION 3 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED TRANSACTION

4.1 General

As at the date of this Notice, the share capital of Placer Gold is held by Bannister Group Pty Ltd (80%) and Geoprospect Pty Ltd (20%) (**Placer Gold Shareholders**).

Resolution 3 seeks Shareholder approval for the issue of 2,600,000 Shares to the Placer Gold Shareholders (or their nominee/s) in consideration for the acquisition of 100% of the issued capital in Placer Gold, in accordance with the Share Sale Agreement.

The Share Sale Agreement provides that upon issue, these Shares will be apportioned pro-rata to the Placer Gold Shareholders' holding in Placer Gold.

Broadly speaking, and subject to a number of exceptions in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of Shares does not fall within any of the exceptions in Listing Rule 7.2. Resolution 3 seeks Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 2,600,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration, as part consideration for the proposed Transaction;
- (d) 2,600,000 Shares will be issued to the Placer Gold Shareholders (or its nominee/s) as detailed in Section 4.1 above;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue as the Shares are being issued as part consideration for the proposed Transaction;
- (g) the Shares will be issued under the Share Sale Agreement, the material terms of which are summarised at Schedule 1; and
- (h) the Shares are not being issued under, or to fund, a reverse takeover.

3.3 Technical Information required by Listing Rule 14.1A

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

Resolution 3 is an Essential Resolution. As such, if Resolution 3 is not passed, the Company will not be able to proceed with the proposed Transaction.

5. RESOLUTION 4 – APPROVAL OF RIGHTS ISSUE

5.1 Background

As noted in Section 1.14, the Company is, following the completion of the Consolidation, proposing to undertake the Rights Issue.

5.2 Listing Rule 7.11.3

Listing Rule 7.11.3 provides that the ratio of securities offered for a pro rata issue must not be greater than 1 for 1 unless the offer is renounceable and the issue price is not more than the average market price for the securities calculated over the last 5 days on which sales in the securities were recorded before the date on which the pro rata issue was announced.

The Company has obtained a waiver from the requirements of Listing Rule 7.11.3 to enable it to undertake the Rights Issue on the terms set out above (ASX Waiver). It is a condition of the ASX Waiver that Shareholders approve the Rights Issue. Resolution 4 seeks this approval.

Resolution 4 is subject to all other Essential Resolutions being approved by Shareholders.

As the Company is currently suspended from trading, it was not able to make the Rights Issue renounceable as it is not possible for Shareholders to trade the rights that would be issued under a renounceable offer. As such, the Rights Issue is being made on a non-renounceable basis.

5.3 Rights Issue terms

The Company proposes to conduct the Rights Issue to raise up to approximately \$4,000,000 (before costs of the Rights Issue), at an issue price of \$0.20 per Share (on a post-Consolidation basis). Eligible Shareholders may subscribe for 6.6 new Shares for every one Share held as at the record date (on a post-Consolidation basis). This entitlement offers existing shareholders a significant opportunity to subscribe for new Shares in the Company. If all existing Shareholders were to take up their full entitlements then existing shareholders would own approximately 62% of the enlarged issued capital following the proposed Transaction (refer capital table in Section 1.17). However, it is likely that there will in fact be a shortfall in existing Shareholders taking up their full entitlements.

The terms of the Rights Issue will be contained in a prospectus to be lodged with ASIC and ASX in accordance with the indicative timetable set out in Section 1.13 (**Prospectus**).

The proposed use of funds raised under the Rights Issue is set out in Section 1.15. Further details will be set out in the Prospectus.

The Directors are of the view that the Rights Issue will provide the most certain outcome for the Company in the present circumstances and is preferable to allow the Company's existing Shareholders the opportunity to participate in the funding of the Company and maintain their percentage interest.

The Directors consider that the Rights Issue must be on a 6.6 for 1 to enable the Company to raise sufficient capital to re-comply with Chapters 1 and 2 of the Listing Rules and to meet its business objectives. A raising of 1 for 1 or less is considered insufficient in the present circumstances.

Eligible Shareholders who do not take up their full entitlement will not receive any value in respect of that part of their entitlement they do not take up. Shareholders who are not eligible to participate in the Rights Issue will not receive any value in respect of entitlement they would have received had they been eligible.

Baker Young has been engaged as lead manager to the Rights Issue and, to the extent the Rights Issue is under-subscribed, will seek to place the shortfall to existing

Shareholders who have applied for additional Shares under the shortfall offer, or otherwise, to unrelated third-party investors..

5.4 Condition of the Rights Issue

The Rights Issue is conditional on Shareholders approving the Rights Issue. This is the subject of Resolution 4. In accordance with the ASX Waiver, the Company will disregard any votes cast by a substantial shareholder, any underwriter, sub-underwriter, broker or manager to the Rights Issue, and the associates of each of those persons.

The Rights Issue is also conditional on the Company receiving conditional approval from ASX to re-admit its securities to quotation on the Official List of the ASX, on terms acceptable to the Company.

There is no minimum subscription to the Rights Issue, however, in order to re-comply with Chapters 1 and 2 of the Listing Rules, the Company must raise sufficient funds under the Rights Issue (including the placement of any shortfall) in order to satisfy ASX's "assets test" by having net tangible assets of at least \$4 million upon re-listing.

The Directors (in conjunction with the Lead Manager) have the right to place the shortfall at their discretion. No person's voting power in the Company may increase to 20% or more as a result of the issue of the Shares under the Rights Issue (including via the placement of any shortfall).

The Company reserves the right not to proceed with the Rights Issue at any time before the issue of Shares to participants. If the Rights Issue does not proceed, application monies will be refunded as soon as practicable in accordance with the requirements of the Corporations Act. No interest will be paid on any application monies refunded as a result of the withdrawal of the Rights Issue.

5.5 Underwriting

The Rights Issue is not underwritten.

5.6 Shortfall Facility

In addition to the Rights Issue, there will be a separate and independent offer of any shortfall from the Rights Issue made pursuant to the Prospectus. Both existing Shareholders and other investors who are not currently Shareholders may apply for Shortfall Shares under the shortfall offer.

As a condition to re-listing, the Company must have a spread of at least 300 non-affiliated shareholders on re-admission, who have each applied for at least \$2000 worth of new Shares (based on the Rights Issue price of \$0.20 per Share) under the Rights Issue and/or shortfall facility. To this end, the Company will prioritise existing Shareholders who would otherwise hold a parcel of less than 10,000 Shares (\$2,000) following completion of the Rights Issue (excluding their existing holding prior to the Rights Issue), who will be given the opportunity under the shortfall facility to "top-up" their holding of new Shares subscribed for under the Capital Raising to a parcel of 10,000 Shares.

Further details of the shortfall offer (including possible effects on control of the Company and dilution to Shareholders) will be contained in the Prospectus.

5.7 Capital Structure

The effect of the Rights Issue on the capital structure of the Company is set out in the table in Section 1.17.

5.8 Timetable

An indicative timetable for the Rights Issue is set out in Section 1.13.

5.9 Issue price of new Shares

Shares under the Rights Issue will be offered at an issue price of \$0.20 per Share (on a post-Consolidation basis).

5.10 Terms of the new Shares

The new Shares offered under the Rights Issue will be fully paid ordinary shares in the capital of the Company. A summary of the rights and liabilities attaching to the new Shares under the Rights Issue will be set out in the Prospectus.

5.11 Recipients of new Shares

New Shares under the Rights Issue will be issued to:

- (a) eligible Shareholders who take up their entitlements (either in full or in part);
- (b) Shareholders who apply for additional Shares (in the event of shortfall in application due to other Shareholders not taking up their entitlements); and
- (c) other investors identified by the Company and Baker Young (in the event of a shortfall arising due to Shareholders not taking up their entitlements).

5.12 Possible advantages

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 Resolution 4:

- (a) the Company needs to raise funds to restructure the Company's balance sheet and to ensure that the Company can complete the proposed Transaction and satisfy ASX's condition for reinstatement to the Official List of the ASX. The Directors are of the view that the Rights Issue will provide the most certain outcome for Shareholders in the circumstances. If the Rights Issue does not proceed, the proposed Transaction will not proceed and the Directors will need to investigate other options for the Company;
- (b) completion of the Rights Issue will enable the Company to be better placed to generate Shareholder value moving forward. The Rights Issue offers Shareholders the opportunity to maintain their percentage interest in the Company and share in any upside of the Company moving forward. However, the Company and the Directors cannot give any assurances as to the price at which Shares will trade on completion of the Rights Issue and reinstatement to ASX, or the future performance of the Company generally;

- (c) the funds raised from the Rights Issue will be used in accordance with the use of funds table set out in Section 1.15; and
- (d) it is expected that if the Rights Issue is successfully implemented, and subject to ASX's discretion and compliance with all conditions applied to the Company's reinstatement, trading of the Company's Securities on ASX will recommence. If the Rights Issue, and therefore the proposed Transaction, do not complete, the Directors will need to investigate other options for the Company.

5.13 Possible disadvantages

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 Resolution 4:

- (a) on completion of the issues the subject of the Essential Resolutions the number of Shares on issue will increase as detailed in Section 1.17. This means that each Share will represent a significantly lower proportion of the ownership of the Company and Shareholders who do not take up their entitlement in the Rights Issue will have a substantially diluted percentage shareholding in the Company; and
- (b) if Resolution 4 is passed, and the Rights Issue proceeds, Shareholders will have to consider whether to take up their entitlements under the Rights Issue. Further details of the risks associated with an investment in the Company will be set out in the Prospectus.

5.14 Other material information

Except as set out in this Notice of Meeting, in the opinion of the Directors', there is not other information material to the making of a decision in relation to the Rights Issue, being information that is within the knowledge of any Director, which has not previously been disclosed to Shareholders.

5.15 Directors' recommendation and intention

Having regard to all the considerations set out in this Notice of Meeting, the Directors consider that, in the absence of a superior proposal, the expected advantages of the Rights Issue outweigh its potential disadvantages and risks.

After considering all these factors and in the absence of a superior proposal, the Directors recommend that Shareholders vote in favour of Resolution 4 to approve the Rights Issue. The recommendations are based on the reasons outlined in Section 5.12.

The Directors have an interest in the Company's Shares as the date of this Notice of Meeting as detailed in Section 1.20.

Shareholders should be advised that if Resolution 4 is not passed by the required majority and the Rights Issue does not proceed, the proposed Transaction will not proceed.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO BAKER YOUNG

6.1 General

Resolution 5 seeks Shareholder approval for the issue of 5,000,000 Options to Baker Young (or its nominee), on the terms and conditions set out in Schedule 2. These are issued as part consideration for brokerage services to be provided to the Company in connection with the Capital Raising.

The Options will be issued pursuant to the lead manager mandate with Baker Young, under which Baker Young will also receive the following fees for their services as lead manager to the Capital Raising:

- (a) 2% of the amount raised under the Rights Issue;
- (b) 6% of the amount raised from third party investors from placing the shortfall to the Rights Issue (excluding funds procured from subscription by existing Shareholders of the Company).

The lead manager mandate is otherwise made on customary terms.

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The proposed issue of Shares does not fall within any of the exceptions in Listing Rule 7.2. Resolution 5 seeks Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 7.1.

The effect of Resolution 5 will be to allow the Company to issue the 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.

6.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Options:

- (a) the maximum number of Options to be issued is 5,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for nil cash consideration as consideration for brokerage services to be provided to the Company in connection with the Rights Issue;
- (d) the Options will be issued to Baker Young (or its nominee), who is not a related party of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 2;
- (f) no funds will be raised from the issue of the Options as the Options are being issued as consideration for brokerage services to be provided to the Company in connection with the Rights Issue;

- (g) the Options will be issued pursuant to the Lead Manager mandate with Baker Young, the material terms of which are summarised in Section 6.1 above; and
- (a) the Options are not being issued under, or to fund, a reverse takeover.

6.3 Technical Information Required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 5 is an Essential Resolution. As such, if Resolution 5 is not passed, the Company will not be able to proceed with the proposed Transaction.

7. RESOLUTIONS 6 AND 7 – ISSUE OF INTRODUCER SHARES

7.1 General

The Company has agreed to issue 875,000 Shares to the following parties, in consideration for introducing the proposed Transaction to the Company:

- (a) Resolution 6 - Issue of Shares to Empire Exploration Pty Ltd (or its nominee) pursuant to Listing Rule 10.11

500,000 Shares to Empire Exploration Pty Ltd (or its nominee), for which Shareholder approval is being sought for the purposes of Listing Rule 10.11 (the subject of Resolution 6).

A summary of Listing Rule 10.11 is set out in Section 10.3 below.

It is noted that Mr Ian Daymond, NXE Director, is also a director of Empire Exploration Pty Ltd. While Empire Exploration Pty Ltd and the Company are not considered to be related parties under the Corporations Act, pursuant to Listing Rule 10.11.5, ASX have deemed Empire Exploration Pty Ltd to be a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders.

As such, Resolution 6 seeks Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 10.11.

- (b) Resolution 7 - Issue of Shares to Alan Martin (or his nominee) pursuant to Listing Rule 7.1

375,000 Shares to Alan Martin (or his nominee), for which Shareholder approval is being sought for the purposes of Listing Rule 7.1 (the subject of Resolution 7),

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The proposed issue of Shares to Mr Martin does not fall within any of the exceptions in Listing Rule 7.2.

As such, Resolution 7 seeks Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 7.1.

7.2 Technical information required by Listing Rule 14.1A

If Resolutions 6 and 7 are passed, the Company will be able to proceed with the issue of the Shares. In addition, the issue of the Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolutions 6 and 7 are Essential Resolutions. As such, if either of Resolutions 6 or 7 are not passed, the Company will not be able to proceed with the proposed Transaction.

7.3 Resolution 6 – Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 6:

- (a) the Shares will be issued to Empire Exploration Pty Ltd (or its nominee), who falls within the category set out in Listing Rule 10.11.5 by virtue of sharing a common director with (Mr Ian Daymond) with the Company;
- (b) the maximum number of Shares to be issued is 500,000;
- (a) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Company has been granted a waiver from the requirements of Listing Rule 10.13.5 such that the Shares will be issued no later than the earlier of, (i) the date on which the Shares under the Capital Raising are issued, and (ii) the date which is 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date;
- (d) the Shares will be issued at a nil issue price, in consideration for introducing the proposed Transaction to the Company; and
- (e) the Shares will be issued pursuant to an agreement between the Company and Empire Exploration Pty Ltd. The agreement provides that Empire Exploration Pty Ltd and Mr Alan Martin (as nominee of Empire Exploration Pty Ltd) shall receive the Shares specified in Section 7.1 above, as a "success fee" for introducing the Project to the Company. The issue of the Shares is conditional on receipt of Shareholder approval and the Company receiving conditional approval from ASX for its re-admission to trading. The agreement otherwise contains customary terms.

7.4 Resolution 7 – Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) 375,000 Shares will be issued to Alan Martin (or his nominee), who is not a related party of the Company;
- (b) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (a) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (b) the Shares will be issued at a nil issue price, in consideration for introducing the proposed Transaction to the Company;
- (c) the Shares will be issued pursuant to an agreement between the Company and Empire Exploration Pty Ltd. The agreement provides that Empire Exploration Pty Ltd and Mr Alan Martin (as nominee of Empire Exploration Pty Ltd) shall receive the Shares specified in Section 7.1 above, as a "success fee" for introducing the Project to the Company. The issue of the Shares is conditional on receipt of Shareholder approval and the Company receiving conditional approval from ASX for its re-admission to trading. The agreement otherwise contains customary terms; and
- (d) the Shares are not being issued under, or to fund, a reverse takeover.

8. RESOLUTION 8 – 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 8 seeks the approval of Shareholders for the Company to change its name to 'Goldoz Limited'.

If Resolution 8 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 5 is passed, the Company will lodge a copy of the special resolution with ASIC on completion of the proposed Transaction in order to effect the change.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

9. RESOLUTION 9 – AMENDMENT TO CONSTITUTION

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

Resolution 9 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 public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules.

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

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. 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 for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

9.1 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the recent changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

10. RESOLUTIONS 10, 11, 12 AND 13 – ISSUE OF SHARES TO RELATED PARTIES

10.1 General

The Company has agreed to issue a total of 825,000 Shares to Messrs Daymond, Haythorpe, Olivier and Kirby (together, the **Related Parties**) in lieu of director fees, at a deemed issue price of \$0.20 per Share, subject to shareholder approval.

Pursuant to Resolution 10, the Company is seeking Shareholder approval for the issue of 225,000 Shares to Mr Daymond. The Shares represent director fees that will accrue from 1 February 2021 to 31 August 2021, at a rate of \$10,000 per month while he was interim Executive Chairman of the Company (2 March 2021 to 30 April 2021) and \$5,000 per month while he is a Non-Executive Director (for a total amount of accrued fees equal to \$45,000).

Pursuant to Resolution 11, the Company is seeking Shareholder approval for the issue of 200,000 Shares to Mr Haythorpe to be subscribed for at \$0.01 per Share. The Shares represent director fees that will accrue at a rate of \$10,000 per month from 1 May 2021 until 31 August 2021 (for a total amount of accrued fees equal to \$40,000).

Pursuant to Resolution 12, the Company is seeking Shareholder approval for the issue of 200,000 Shares to Dr Olivier. The Shares represent director fees that will accrue at a rate of \$4,000 gross per month from 18 November 2020 until 31 August 2021 (for a total amount of accrued fees equal to \$40,000).

Pursuant to Resolution 13, the Company is seeking Shareholder approval for the issue of 200,000 Shares to Dr Kirby. Shares represent director fees that will accrue at a rate of \$4,000 gross per month from 18 November 2020 until 31 August 2021 (for a total amount of accrued fees equal to \$40,000).

10.2 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 grant of Shares constitutes giving a financial benefit and the Related Parties are each a related party of the Company by virtue of being Directors.

The Board consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares because the Shares are being issued in lieu of accrued director fees, the payment of which were agreed as part of the remuneration packages for the Related Parties. As such, the Board has resolved (with each Director abstaining from considering and voting on their particular issue) that the issue of Shares falls within the exception in Section 211 of the Corporations Act.

10.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

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

10.4 Technical information required by Listing Rule 14.1A

If Resolutions 10 to 13 are passed, the Company will be able to proceed with the issue of the Shares to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 10 to 13 are not passed, the Company will be required to satisfy the payment of the accrued director fees from its existing cash reserves.

10.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 10 to 13:

- (a) the Shares will be issued to the Related Parties (or their respective nominees), who are each a related party of the Company pursuant to Listing Rule 10.11.1, by virtue of being a Director;
- (b) a total of 825,000 Shares will be issued to the Related Parties, as described in Section 10.1 above;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the Shares issued pursuant to Resolutions 10, 12 and 13 will be issued at a deemed issue price of \$0.20 per Share, in lieu of accrued director fees, while the Share issued pursuant to Resolution 11 will be issued for a subscription price of \$0.01 per Share, raising a nominal amount of \$2,000 to be applied towards the costs of the proposed Transaction;
- (f) the current total remuneration package for the Related Parties is as follows:

Director	Remuneration ¹
Andrew Haythorpe	\$120,000 per annum
Ian Daymond	\$78,000 per annum
Bernard Olivier	\$48,000 per annum
Evan Kirby	\$48,000 per annum

Notes:

1. Excluding superannuation and subject to completion of the proposed Transaction.
 2. Mr Daymond's remuneration includes an estimated \$18,000 annually paid in the form of consulting fees to his consulting company Daymond Consultants Pty Ltd in addition to his director fees.
- (g) the Shares are not being issued under an agreement, other than those being issued to Mr Haythorpe (pursuant to Resolution 12), which are issued pursuant to his Executive Service Agreement (the material terms of which are summarised in Schedule 5).

11. RESOLUTION 14 – ISSUE OF SHARES TO MR ROBERT MARUSCO

11.1 General

The Company has agreed to issue 100,000 Shares to Mr Robert Marusco, Company Secretary, in lieu of consulting fees to the value of \$20,000, at a deemed issue price of \$0.20 per Share, subject to shareholder approval.

Resolution 14 seeks Shareholder approval for the issue of the Shares.

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The proposed issue of Shares does not fall within any of the exceptions in Listing Rule 7.2. Resolution 14 seeks Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 7.1.

11.2 Technical information required by Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 100,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration, in lieu of accrued consulting fees;
- (d) the Shares will be issued to the Company Secretary, Mr Robert Marusco (or his nominee), who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue;
- (g) the Shares are not being issued pursuant to an agreement; and
- (h) the Shares are not being issued under, or to fund, a reverse takeover.

11.3 Technical Information required by Listing Rule 14.1A

If Resolution 14 is passed, the Company will be able to proceed with the issue of the Shares. In addition, the issue will be excluded from the calculation of the

number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 14 is not passed, the Company will either need to issue the Shares under its existing Listing Rule 7.1 placement capacity or satisfy the payment of the accrued consultancy fees from its existing cash reserves.

12. RESOLUTION 15 – ISSUE OF SHARES TO RELATED PARTY – MR ANDREW HAYTHORPE

12.1 General

Pursuant to his terms of appointment as Managing Director, the Company has agreed to issue Mr Andrew Haythorpe 1,000,000 Shares as a sign-on bonus, subject to Shareholder approval and the Company re-listing on ASX.

Resolution 15 seeks Shareholder approval for the issue of these Shares.

12.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 10.2 above.

The issue of Shares constitutes giving a financial benefit and Mr Haythorpe is a related party of the Company by virtue of being a Director.

The Board (excluding Mr Haythorpe due to his material interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares because the agreement to issue the Shares was reached as part of the remuneration package for Mr Haythorpe and is considered reasonable remuneration in the circumstances, for the purposes of Section 211 of the Corporations Act.

12.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 10.3.

As the issue of Shares constitutes the issue of securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

12.4 Technical information required by Listing Rule 14.1A

If Resolution 15 is passed, the Company will be able to proceed with the issue of the Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 15 is not passed, the Company will not proceed with the issue as Shareholder approval was a condition precedent to the issue.

12.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) a maximum of 1,000,000 Shares will be issued to Mr Andrew Haythorpe (or his nominee), who is a related party of the Company pursuant to Listing Rule 10.11.1, by virtue of being a Director;
- (b) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (c) the Company has been granted a waiver from the requirements of Listing Rule 10.13.5 such that the Shares will be issued no later than the earlier of,
 - (i) the date on which the Shares under the Capital Raising are issued, and
 - (ii) the date which is 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date;
- (d) the Shares will be issued for a nominal subscription price of \$0.001, as a sign-on bonus, pursuant to the terms of the executive service agreement between the Company and Mr Haythorpe (the material terms of which are summarised in Schedule 5); and
- (e) Mr Haythorpe's remuneration package is summarised in Schedule 5.

13. RESOLUTION 16 – ISSUE OF SHARES TO RELATED PARTY – MR CHRISTIAAN JORDAAN

13.1 General

Mr Jordaan ceased as Managing Director of the Company on 2 March 2021 pursuant to a notice of redundancy issued by the Company to him, but he agreed to continue to serve the Company as a non-executive director and to assist with the process of seeking re-admission to trading of the Company's securities on ASX.

In accordance with the terms of his Executive Service Agreement with the Company, the Company agreed to pay Mr Jordaan his salary in lieu of 3 months' written notice of termination but amounts owing by Mr Jordaan to the Company in respect of salary overpayments and his motor vehicle were deducted leaving a total of \$21,667 owing to him. It was agreed that the amount of \$10,000 (net of any adjustments for amounts owing by Mr Jordaan to the Company) would be paid to him and he has agreed for the balance of \$11,667 to be satisfied via the issue of Shares at a deemed issue price of \$0.20 per Share (**ESA Shares**).

In addition, the Company has agreed to pay Mr Jordaan his remuneration for acting as a non-executive director for the months of March and April 2021, totalling \$8,000, via the issue of Shares at a deemed issue price of \$0.20 per Share (**NED Shares**).

Resolution 17 seeks Shareholder approval for the issue of these Shares.

13.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 11.2 above.

The issue of Shares constitutes giving a financial benefit and Mr Jordaan is a related party of the Company by virtue of being a Director of the Company in the past 6 months.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the ESA Shares was made as part of Mr Jordaan's severance package and was negotiated on an arm's length basis and the agreement to issue the NED Shares was made as part of the Mr Jordaan's non-executive director, remuneration package and is considered reasonable and was negotiated on an arm's length basis. .

13.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 10.3.

As the issue of Shares constitutes the issue of securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

13.4 Technical information required by Listing Rule 14.1A

If Resolution 16 is passed, the Company will be able to proceed with the issue of the Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolution 16 is not passed, the Company will not be able to proceed with the issue. In such circumstances, the Company would likely seek to satisfy the respective obligations via a cash payment.

13.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) 98,335 Shares (on a post-Consolidation basis) will be issued to Mr Christiaan Jordaan (or his nominee), who is a related party of the Company pursuant to Listing Rule 10.11.1, by virtue of being a Director of the Company in the previous 6 months;
- (b) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares will be issued within one month of the date of the Meeting, following completion of the Consolidation;
- (d) the Shares will be issued at a deemed issue price of \$0.20 per Share, however no funds will be raised from the issue;
- (e) as announced by the Company on 2 March 2021, following his retrenchment as Managing Director of the Company, the Company agreed to pay Mr Jordaan at the rate of \$4,000 a month as a Non-Executive Director from 1 March 2021 to his retirement on 30 April 2021. It was subsequently agreed that the accrued fees may be satisfied via the issue of Shares at a deemed issue price of \$0.20 per Share (post Consolidation); and
- (f) the ESA shares will be issued under the Executive Service Agreement between Mr Jordaan and the Company, the material terms of which are summarised below:

Remuneration	<p>Mr Jordaan's salary was \$200,000 per annum (excluding 9.5% superannuation) subject to increase upon the satisfaction of certain performance milestones that were never met.</p> <p>Mr Jordaan was also issued 5,000,000 options in connection with his employment under the Company's Employee Share and Option Plan. The issue of these options was approved by Shareholders at the Company's 2019 AGM – refer to the Company's Notice of Annual General Meeting dated 12 November 2019 for further details.</p>
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Term	<p>Mr Jordaan's employment commenced on 7 June 2019 and was terminated on 2 March 2021 upon the provisions of 3 months payment in lieu of notice (in accordance with the terms of the agreement).</p> <p>Mr Jordaan continued to serve as a Non-Executive Director of the Company until 30 April 2021 and was paid at the rate of \$4,000 a month as a Non-Executive Director, assisting in the new project acquisition and the process of re-admission to ASX.</p> <p>Refer to the Company's announcement on 2 March 2021 for further details.</p>
Other	The agreement otherwise contained leave entitlements, termination and confidentiality provisions and general provisions considered standard for an agreement of this nature.

14. RESOLUTION 17 – ISSUE OF SHARES TO ARENA

14.1 General

On 12 February 2021, the Company announced that it had reached a settlement with Arena Structured Private Investments (Cayman) LLC (**Arena**), in relation to a \$2.5 million (face value) convertible note facility provided to the Company which has been the subject of a claim by Arena and counterclaim by New Energy following the termination of the Convertible Note Deed in November 2018 (**Arena Dispute**).

The Convertible Note Deed was executed on 5 January 2018 and followed by an Amendment Deed executed on 22 May 2018 and a Consent Deed executed on 13 August 2018.

By way of background, in October 2018 the Company announced that Arena commenced proceedings against the Company in the Supreme Court of Western Australia whereby they sought declarations and orders that the Company is liable to pay Arena the outstanding principal amount of \$2,500,000, a termination payment of \$2,535,000, interest and legal costs.

The Company filed its defence and counterclaim on 3 April 2020 whereby the Company denied liability in respect of Arena's claims in the proceedings and made a counterclaim alleging that Arena's conduct constituted unconscionable conduct, economic duress or the tort of intimidation and seeking damages as well as orders declaring the Amendment Deed void.

The settlement of all claims between the Company and Arena has been reached without admissions as to liability. Pursuant to the Settlement Deed (**Settlement Deed**) executed 10 February 2021 (and varied on 11 June 2021) the terms of the settlement are summarised as follows:

- (a) the Company will pay Arena the sum of \$500,000 within 14 days of its relisting on the ASX;
- (b) the Company issues to Arena the first equity tranche on re-listing, comprising the number of Shares calculated by dividing the sum of \$750,000 by the re-listing offer price of \$0.20, subject to shareholder approval (**First Equity Tranche**);
- (c) the Company issues to Arena a second equity tranche on the date that is 12 months from the date of re-listing, comprising the number of Shares

calculated by dividing the sum of \$600,000 by the VWAP in the 5 trading days prior to the date of issue, subject to shareholder approval; and

- (d) the Company must receive (i) Shareholder approval for the First Equity Tranche; and (ii) conditional listing approval from ASX, by 31 October 2021, otherwise the Settlement Deed shall automatically terminate.

Lock-up provisions apply to the equity consideration, as detailed further in the notes to the capital structure table in Section 1.17 above.

The parties fully and finally release each other from all claims and actions, present and future in connection with the subject matter of the Deed upon payment of the \$500,000 and issue of the first equity tranche upon re-listing.

Resolution 17 seeks Shareholder approval for the issue of the Shares under the First Equity Tranche.

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The proposed issue of Shares does not fall within any of the exceptions in Listing Rule 7.2. Resolution 17 seeks Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 7.1.

14.2 Technical information required by Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 3,750,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued at a deemed issue price of \$0.20 per Share, as part settlement of the Arena Dispute;
- (d) the Shares will be issued to Arena (or its nominee), who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue;
- (g) the Shares are being issued pursuant to the Settlement Deed, the material terms of which are summarised in Section 14.1 above; and
- (h) the Shares are not being issued under, or to fund, a reverse takeover.

14.3 Technical Information required by Listing Rule 14.1A

If Resolution 17 is passed, the Company will be able to proceed with the issue of the Shares. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 17 is an Essential Resolution. As such, if Resolution 17 is not passed, the Company will not be able to proceed with the proposed Transaction.

15. RESOLUTION 18 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

15.1 General

On 15 June 2021, the Company issued 27,670,743 Shares (on a pre-Consolidation basis) at an issue price of \$0.0022857 per Share to raise \$63,247.

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

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

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

Resolution 18 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares.

15.2 Technical information required by Listing Rule 14.1A

If Resolution 18 is passed, the Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 18 is not passed, the Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

15.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 18:

- (a) the Shares were issued to John Campbell Smyth <Smyth Super Fund A/C>;
- (b) 27,670,743 Shares (on a pre-consolidation basis) were issued and the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (c) the Shares were issued on 15 June 2021;
- (d) the issue price was \$0.0022857 per Shares. The Company has not and will not receive any other consideration for the issue of the Shares;
- (e) the purpose of the issue of the Shares was to raise \$63,247, which will be applied towards meeting the Company's working capital expenses associated with the proposed Transaction; and
- (f) the Shares were not issued under an agreement.

16. RESOLUTION 19 – APPROVAL TO ISSUE OPTIONS

16.1 General

The Company is proposing to issue up to 790,592 Options (on a post-consolidation basis) to John Campbell Smyth <Smyth Super Fund A/C>, being two Options for every one Share subscribed for and issued to John Campbell Smyth <Smyth Super Fund A/C> on 15 June 2021 (as detailed in Resolution 18).

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

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

16.2 Technical information required by Listing Rule 14.1A

If Resolution 19 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 19 is not passed, the Company will not be able to proceed with the issue of the Options.

Resolution 19 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Options.

16.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 19:

- (a) the Options will be issued to John Campbell Smyth <Smyth Super Fund A/C>;
- (b) the maximum number of Options to be issued is 790,592 (on a post-Consolidation basis);
- (c) the Options will be issued on the terms and conditions set out in Schedule 2;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date; and
- (e) the issue price will be nil per Option as the Options will be issued free attaching with the Shares issued to John Campbell Smyth <Smyth Super Fund A/C> on a two-for-one basis. The Company will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);

- (f) no funds are to be raised by the issue of the Options, as they are free attaching to the Shares. The use of the funds raised by the Shares is described in Section 15.3(e).
- (g) the Options are not being issued under an agreement; and
- (h) the Options are not being issued under, or to fund, a reverse takeover.

17. RESOLUTION 20 – APPROVAL TO ISSUE SHARES

17.1 Background

As noted in Section 1.14, the Company is, following the completion of the Consolidation, proposing to undertake the Placement (in conjunction with the Rights Issue), in order to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules.

17.2 General

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

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Placement Shares falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

17.3 Technical information required by Listing Rule 14.1A

If Resolution 20 is passed, the Company will be able to proceed with the issue of the Placement Shares. In addition, the issue of the Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 20 is an Essential Resolution. As such, if Resolution 20 is not passed, the Company will not be able to proceed with the proposed Transaction.

Resolution 20 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Shares.

17.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 20:

- (a) the Placement Shares will be issued to professional and sophisticated investors identified by Baker Young. The recipients will be identified through a bookbuild process, which will involve seeking expressions of interest to participate in the capital raising from non-related parties of the Company;

- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Placement Shares to be issued is 5,000,000. The Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Shares will occur on the same day, and subject to receipt of conditional re-admission approval from ASX;
- (d) the issue price of the Placement Shares will be \$0.20 per Placement Shares. The Company will not receive any other consideration for the issue of the Placement Shares;
- (e) the purpose of the issue of the Placement Shares is to raise capital. The proposed use of the capital raised from the Capital Raising is summarised in Section 1.15;
- (f) the Placement Shares are not being issued under an agreement; and
- (g) the Placement Shares are not being issued under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

Amended Constitution has the meaning given in Section 9.

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate means

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

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means New Energy Minerals Limited (ACN 140 316 463).

Constitution means the Company's existing constitution as at the date of this Notice.

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

Directors means the current directors of the Company.

Essential Resolution has the meaning given in Section 1.4.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Listing Rules means the Listing Rules of ASX.

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

Official List means the official list of the ASX.

Official Quotation means quotation of securities on the Official List.

Option means an option to acquire a Share.

Project means the Hurricane Project.

Proposed Transaction means the Company's acquisition of 100% of the issued share capital of Placer Gold.

Prospectus means the prospectus to be issued by the Company in connection with the Rights Issue.

Proxy Form means the proxy form accompanying the Notice.

Re-compliance means the Company re-complying with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

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

Rights Issue means the Company's proposed non-renounceable rights issue, as detailed in Section 1.14.

Section means a section of the Explanatory Statement.

Securities means the Company's issued securities.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF TERM SHEET

The material terms of the Share Sale Agreement are as follows:

Term	Summary
Parties	New Energy Minerals Limited (as Purchaser) and Bannister Group Pty Ltd and Geoprospect Pty Ltd (as Vendors) as the legal and beneficial holders of 100% of the issued capital in Placer Gold Pty Ltd (Placer Gold).
Key Transaction Elements	<p>In consideration for the Transaction, subject to the terms and conditions of the term sheet, NXE agrees to:</p> <ul style="list-style-type: none"> (a) issue the Vendors, pro-rata to their existing shareholding in Placer Gold, 2,600,000 fully paid ordinary shares in the capital of NXE (Consideration Shares) at settlement of the Transaction (Settlement), which shall be subject to applicable ASX imposed escrow on and from the date of re-listing; (b) pay the Vendors \$255,000 in cash, pro-rata to their existing shareholding in Placer Gold, as follows: <ul style="list-style-type: none"> (i) \$50,000, paid on execution of the agreement; and (ii) \$205,000, payable subject to ASX approval for the purpose of ASX Listing Rule 1.1 Condition 11, upon the re-instatement of NXE's securities to trading on ASX. (c) grant the Vendors a royalty of 2% of the net smelter return on all minerals, mineral products and concentrates, produced and sold from the Tenements (Royalty), payable on customary terms (based on the AMPLA Model Framework Minerals Royalty Deed) subject to the Royalty buyback option in favour of NXE. <p>In addition to the above, NXE has paid the Vendors an exclusivity fee of \$25,000 in connection with an exclusivity letter agreement pertaining to the Transaction on or about 28 September 2020.</p>
Conditions Precedent	<p>Settlement of the Transaction is conditional upon (Conditions):</p> <ul style="list-style-type: none"> (a) completion of due diligence by NXE on Placer Gold's tenements, assets and operations with the results of those due diligence enquiries being satisfactory to Placer Gold, at its sole and absolute discretion; (b) NXE receiving shareholder approval for the issue of the Consideration Shares, the issue of shares under the Capital Raising and the change to the nature and/or scale of NXE's activities; (c) completion of the Capital Raising; (d) NXE receiving conditional approval from ASX for its re-listing; and (e) the parties obtaining any other regulatory, shareholder or third party consents or approvals as necessary to complete the transactions contemplated by this Agreement, including any necessary approvals from the Queensland Department of Natural Resources, Mines and Energy for the change of authorised holder representative, operator and site senior executive with respect to the Tenements. <p>If the Conditions must be satisfied (or waived by agreement between NXE and Placer Gold, in writing) on or before 5.00pm (WST) on 30</p>

	September 2021 (or such other date agreed by NXE and Placer Gold, in writing).
Royalty Buyback option	<p>The Vendors granted NXE an option to buyback the Royalty at any time as follows:</p> <ul style="list-style-type: none"> (a) NXE may buy back 50% of the Royalty by paying to the Vendors (proportional to their respective Royalty interest) \$1 million; and (b) the remaining 50% of the Royalty by paying the Vendors (proportional to their respective Royalty interest) an additional \$2 million. <p>The buyback price shall be CPI adjusted on each yearly anniversary of Settlement according to a set formula.</p>
Customary terms	The term sheet is on customary terms, including with respect to pre-completion obligations, warranties and indemnities and post-completion obligations, as would be expected for a transaction of this nature.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS (RESOLUTIONS 5 AND 19)

1. Entitlement

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

2. Exercise Price

Subject to paragraph 9, the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

3. Expiry Date

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

4. Exercise Period

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

5. Notice of Exercise

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

6. Exercise Date

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

7. Timing of issue of Shares on exercise

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

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

If a notice delivered under 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

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

8. Shares issued on exercise

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

9. Reconstruction of capital

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

10. 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.

11. Change in exercise price

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

12. Transferability

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

SCHEDULE 3 – PRO FORMA BALANCE SHEET

NXE Pro Forma Balance Sheet 31
Dec 2020

Statement of Financial Position	31-Dec-20 \$	Hurricane Transaction and Placement	Capital Raising	Pro forma
CURRENT ASSETS				
Cash and cash equivalents (note 1)	461,719	73,444	4,100,000	4,635,163
Trade and other receivables	53,545	-		53,545
Other assets				
Prepayments	1,320	-		1,320
TOTAL CURRENT ASSETS	516,584	73,444	4,100,000	4,690,028
NON-CURRENT ASSETS				
Trade and other receivables	-			-
Property, plant and equipment	-			-
Exploration and evaluation assets (note 2)	115,759	950,000		1,065,759
TOTAL NON-CURRENT ASSETS	115,759	950,000	-	1,065,759
TOTAL ASSETS	632,343	1,023,444	4,100,000	5,755,787
CURRENT LIABILITIES				
Trade creditors	73,674			73,674
Other payables (note 3)		205,000		205,000
Interest bearing loans and borrowings (note 4)	1,850,000		(1,850,000)	-
Provisions	19,219			19,219
TOTAL CURRENT LIABILITIES	1,942,893	205,000	(1,850,000)	297,893
NON-CURRENT LIABILITIES				
Provisions	-			-

TOTAL NON-CURRENT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	1,942,893	205,000	(1,850,000)	297,893
NET ASSETS	(1,310,550)	818,444	5,950,000	5,457,894
EQUITY				
Contributed equity/assets	177,973,762	1,048,627	4,100,000	183,059,142
Reserves	3,376,744			3,376,744
Accumulated losses	(182,790,582)	(230,183)	1,850,000	(181,170,765)
Non-controlling interests	129,526			129,526
TOTAL EQUITY	(1,310,550)	818,444	5,950,000	5,457,894

Note 1 Assumes \$5m raised less capital raising fees (\$300k), payment to Arena (\$500k) and working capital inclusive of costs of relisting from 1 Jan 2021 (\$100k) plus placement of \$63247

Note 2 cost of acquisition includes cash payment + share payment + introducer payment

Note 3 Contains the amount payable to vendors post relisting

Note 4 Arena debt for \$500k cash (paid post relisting), \$750k in shares in conjunction with relisting and then \$600k in shares to be paid in 12 months clears this liability

SCHEDULE 4 – HURRICANE PROJECT

Placer Gold is a Queensland-based, Queensland-owned and managed private company established in 2011 to explore, develop and mine gold and antimony deposits in the Hodgkinson Basin.

The Hurricane Project is located in far Northern Queensland approximately 90km west of Port Douglas (Figures 1 and 2) and 53km south west of Specialty Metals Ltd's (ASX:SEI) Mt Carbine Tungsten project. The Hurricane Project consists of three exploration permits, EPM19437, EPM25855 and EPM27518, and is located within the corridor that defines the QLD Government's **New Economy Minerals Initiative** announced in November 2019.

- **Gold** is a strategic critical metal listed by the QLD Government as a New Economy Mineral.
- **Antimony** is a strategic critical metal used to support the transition to a renewable energy future in battery technology to provide backup and storage, and to improve the performance of photovoltaic solar panels. Other uses include flame retardant applications, plastics, glass and ceramics. Antimony is ranked the number 1 critical metal in the world most at risk of supply. Antimony is on the critical mineral list of the U.S., E.U., Japan and Australian Governments.

Historical exploration and mining activity in the Hodgkinson Basin region is located along northwest trending fault bounded corridors (Figure 3). The Hurricane Project is located between two of these regional faults, known as the Retina Fault and the Hurricane Fault. This gold mineralised corridor is known as the Tregoora Belt and the Hurricane Project is located in the Hurricane Range of hills at the south-eastern end of the belt (Figure 3).

The Hurricane Range has been stream sediment sampled in the past but little follow-up work has been completed away from the known gold-bearing vein systems.



Figure 1. Location of Hurricane Project in North Queensland to the west of Port Douglas.

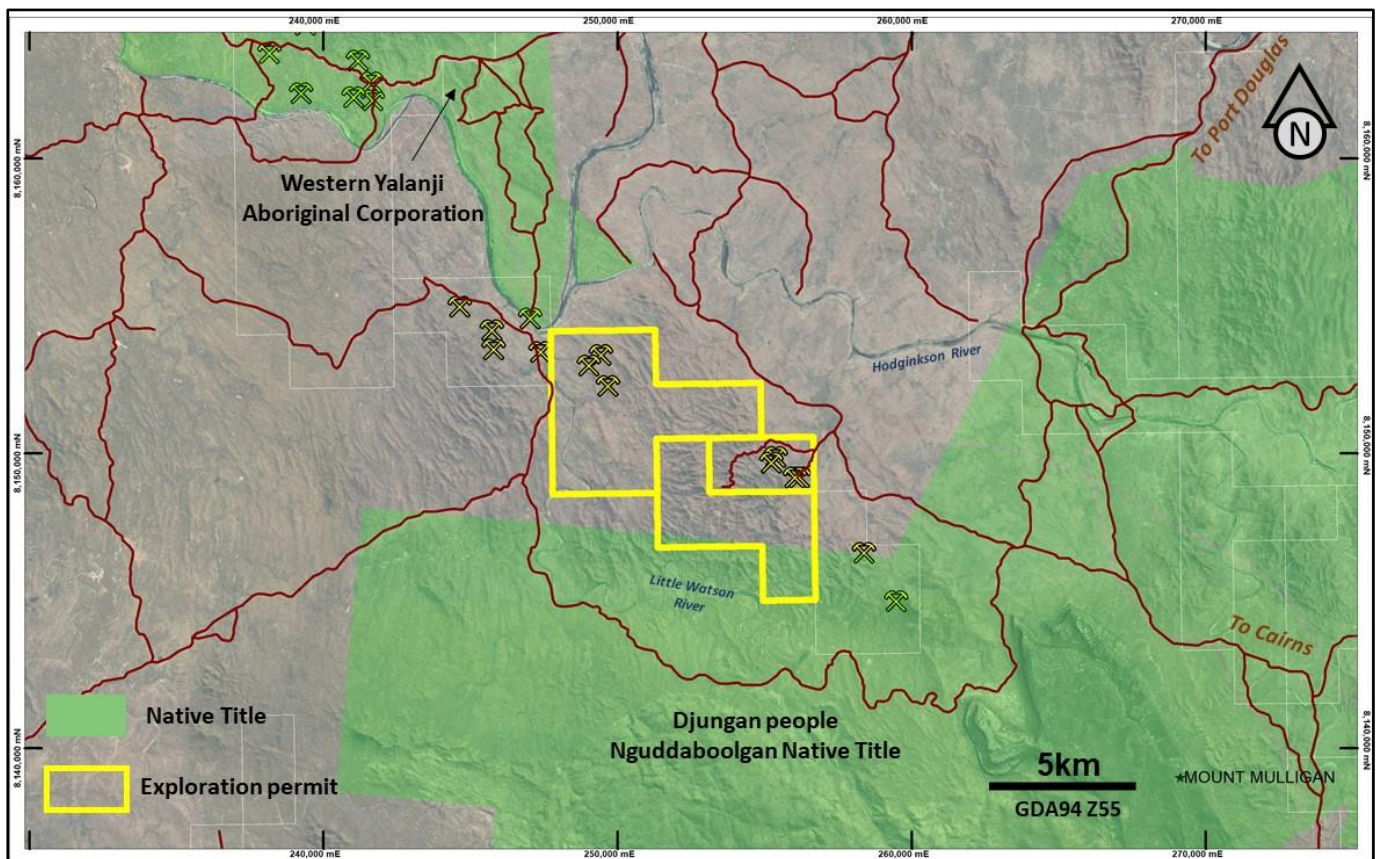


Figure 2. Location of Hurricane Project Exploration Permits in the Mareeba District.

Regional Geology

The Hurricane Project area is situated in the Hodgkinson Province of north-eastern Queensland which forms the northernmost part of the Palaeozoic Tasman Fold Belt. The Hodgkinson Province hosts several goldfields such as the Palmer River, West Normanby and Hodgkinson. Together these fields have produced more than 45 tonnes of gold from alluvial workings and mines.

Within the Hodgkinson Province there are several gold districts, including the Northcote, Tregoora, Atric and Reedy districts which host a total JORC 2004 resource of 11.4 million tonnes at 1.7g/t Au for 618,000oz Au (ASX releases by Bulletin Resources on 3 August 2018 and by Republic Gold Limited on 30 October 2009). The Hurricane Project is located in the Tregoora Belt to the north-west of the Northcote District, as shown in Figure 3.

Project	Measured Tonnes (‘000)	Au g/t	Indicated Tonnes (‘000)	Au g/t	Inferred Tonnes (‘000)	Au g/t	Total Tonnes (‘000)	Au g/t	Gold oz (‘000)
Northcote	1,500	2.2	2,296	1.6	1,211	1.6	5,007	1.8	289
Tregoora	11	2.1	2,301	1.6	2,160	1.5	4,472	1.6	229
Atric			989	1.9	51	1.7	1,040	1.9	63
Reedy					886	1.3	886	1.3	37
Total	1,511	2.2	5,586	1.7	4,307	1.5	11,404	1.7	618

Source: **RAU Mineral Resource (JORC 2004) estimate as reported to ASX on 30 October 2009**

Due to the geological similarities with analogous terrains elsewhere in the Tasman Fold Belt, such as the central Victorian gold province, and as reflected by renewed exploration interest in the Province, NXE considers that there is a considerable likelihood for the presence of as yet undiscovered gold resources in the Hodgkinson Province.

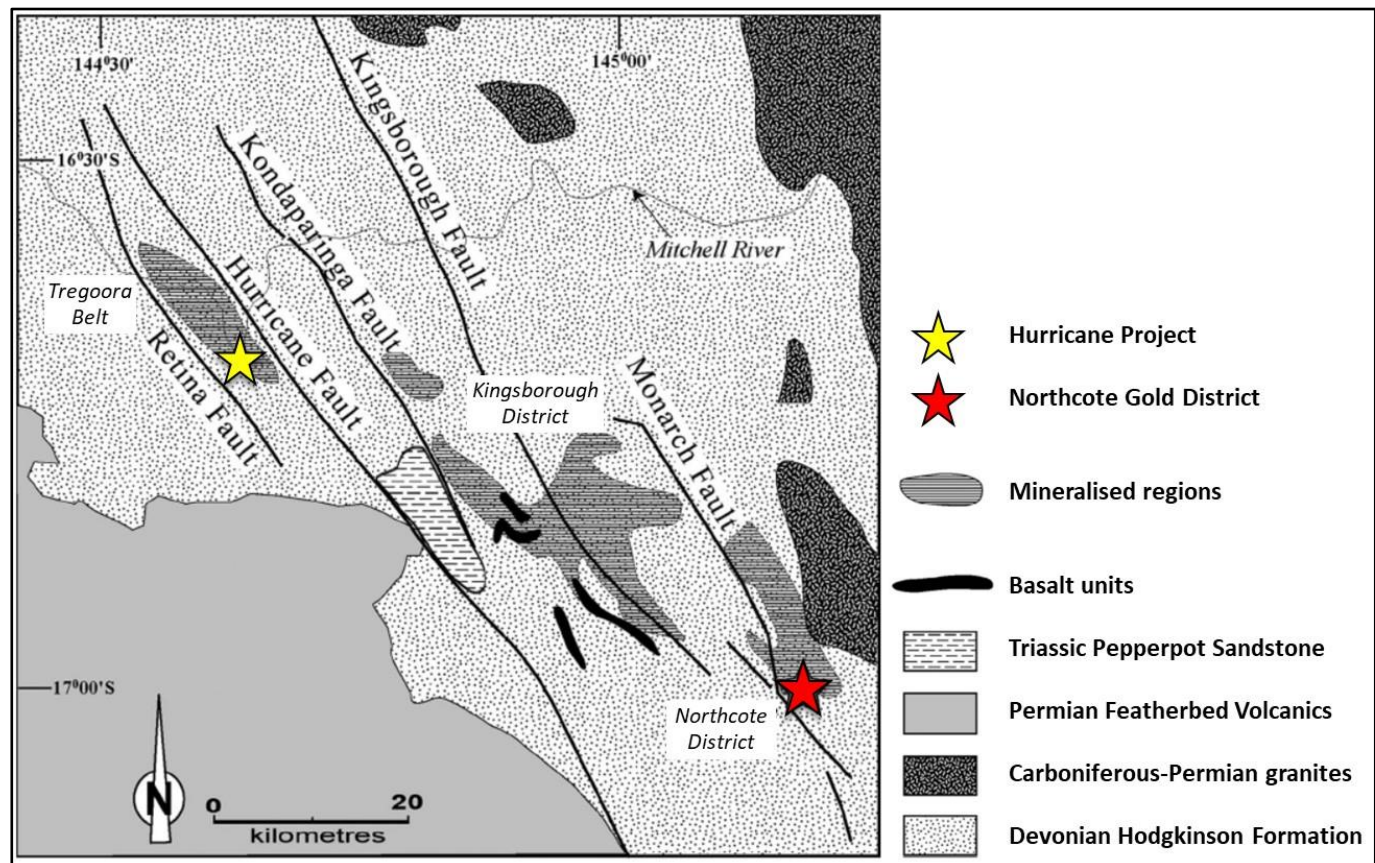


Figure 3. Location of Hurricane Project with respect to the Hodgkinson Goldfields. Source: Vos I.M.A., Bierlein F.P., 2006. *Characteristics of orogenic gold deposits in the Northcote District, Hodgkinson Province, north Queensland: implications for tectonic evolution.*

The geology of the Hodgkinson Province is dominated by open to tightly folded sequences of shallow to deep-water, marine siliciclastic sequences (i.e. turbidites of the Hodgkinson Formation) and intercalated limestones and volcanic rocks of Late Ordovician to Late Devonian age. Numerous granites have intruded the stratigraphy during widespread magmatic activity in the Late Carboniferous to Early Permian.

Most primary gold deposits are lode-style, vein-hosted systems that occur in metamorphosed turbidites, and are spatially associated with northwest-striking, second-order faults. Examples of these faults are the Retina, Hurricane, Kondaparinga, Kingsborough and Monarch Faults (Figure 3). A simplified geological map of the Hurricane Project area shown in Figure 4 outlines the northwest trending faults and the area underlain by the folded sequence of Hodgkinson turbidites that host the gold mineralisation.

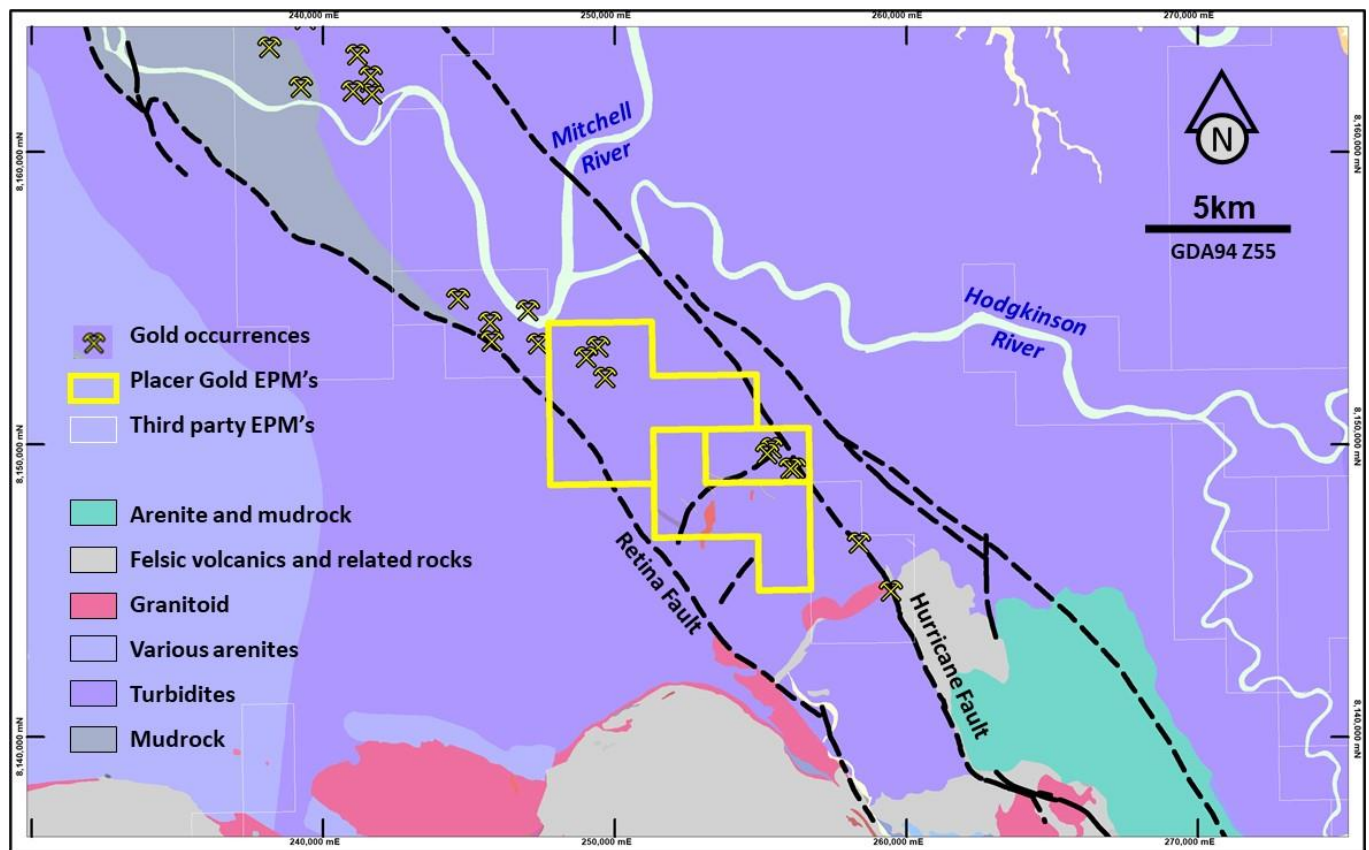


Figure 4. Simplified regional geology map outlining the Hurricane project area.

Ore-forming fluids associated with gold and antimony mineralisation in the Hodgkinson Province were probably derived from mid-crustal devolatilisation of sedimentary rocks during ongoing orogenic accretion and granitoid emplacement, with faults acting as the main conduits transporting the fluids to mesozonal and epizonal levels.

According to Vos and Bierlein (2006) conditions of mineralisation in the Hodgkinson Province are analogous to so-called 'orogenic' gold-antimony-dominated deposits in equivalent settings in eastern Australia and elsewhere that formed at low to moderate temperatures (~120-320°C) and low pressure (~1 kbar) from fluids that contained minor to moderate CO₂. Skarn deposits (e.g. Red Dome) occur in some favourable lithologies, but most gold mineralisation is hosted by mesothermal quartz vein systems associated with major shear zones.

Stibnite (antimony) mineralisation accompanies some gold deposits, but stibnite - quartz veining is considered to represent a separate younger mineralising event. Both gold and

stibnite mineralisation are considered to be "slate-belt style" being derived from metamorphic fluids produced during devolatilisation of the sediments and associated granite emplacement.

In the Northcote District, Vos and Bierlein (2006) consider that the first episode of gold mineralisation was associated with metamorphic devolatilisation during orogenesis. The subsequent antimony-rich episode of mineralisation may be genetically related to widespread magmatism in the Hodgkinson Province that could have instigated additional metamorphism and provided antimony-rich fluids.

Hurricane Project Geology

The bedrock of the three EPM areas comprises sediments of the Hodgkinson Formation including micaceous arenite, siltstone, mudstone, shale, slate, minor conglomerate and thin basalt and chert units. The sedimentary succession represents a subaqueous turbidite sedimentary sequence. These well layered turbidites are folded and consequently the bedding dips are steep and strike in a north-western direction.

Surface traces of the folded turbidites and mineralised breccia vein locations are shown in the structural diagram of Figure 5. Small felsic intrusive bodies (rhyolite) are located in close proximity to the veins and possibly have a genetic association with the gold mineralisation if a magmatic model (intrusive) is appropriate.

Bedding traces in the vicinity of the vein systems within EPM25855 and EPM19437 (Figure 5) outline a fold structure which is cut by a northeast-trending structure. It is likely that extensional vein geometry is controlled by both the fold structure (saddle reefs) and the northeast-trending fault which appears to off-set some of the veins (Holmes, Cyclone and Tornado).

A structural model that could explain the gold-bearing breccia veins is that they represent extensional dilational features related to a connecting fault between the Hurricane and Retina faults which are assumed to have significant strike slip components. Extensional structure between the two major northwest trending would have been preferred pathways for the emplacement of high level felsic intrusives which could be related to the gold mineralised breccia veins.

A high priority in future exploration of EPM19437 and EPM25855 would be to sample the felsic bodies (porphyries?) to determine if they contain widespread low grade gold mineralisation.

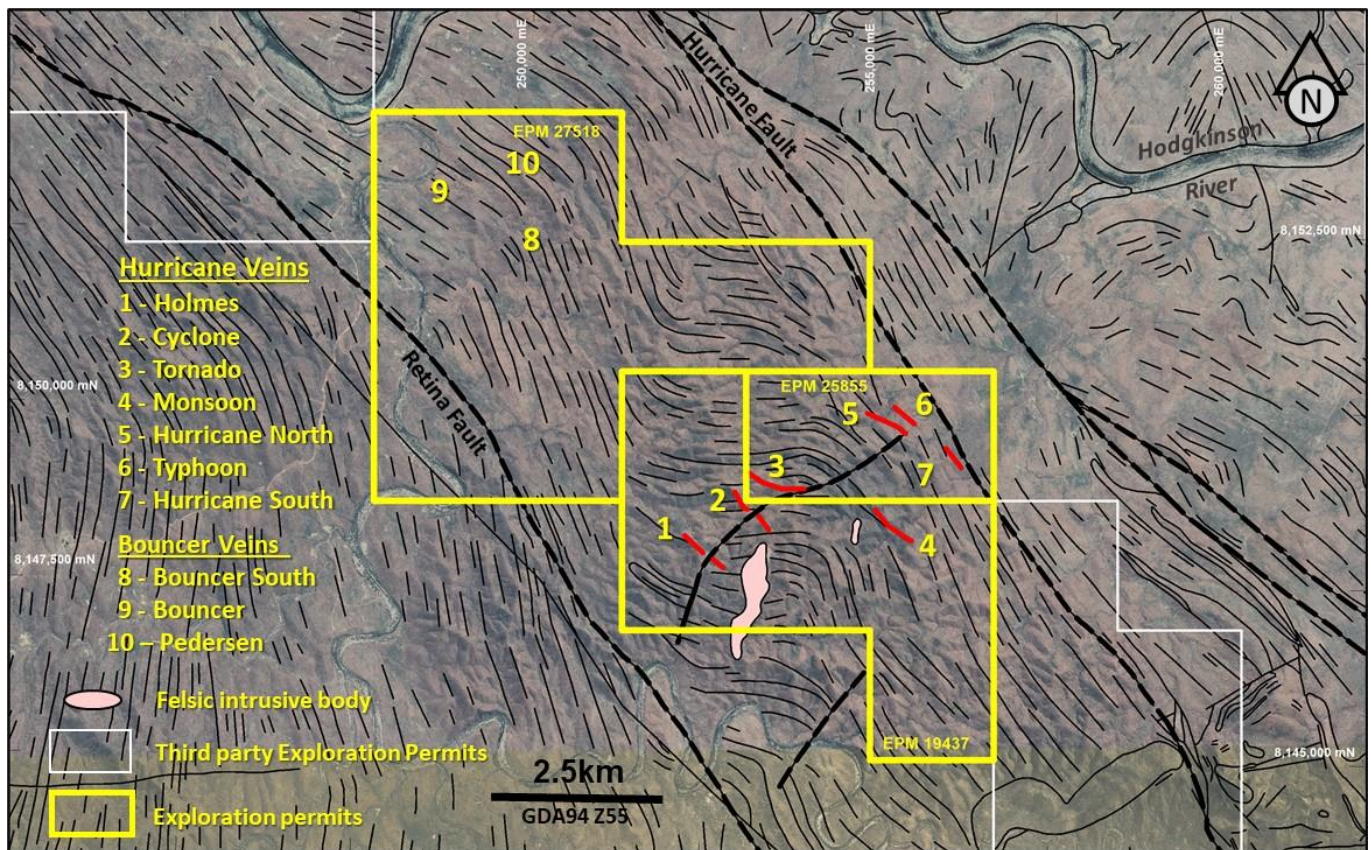


Figure 5. Location of vein systems and intrusive felsic bodies within the folded turbidite sequence covered by the Hurricane Project (EPM19437, EPM25855 and EPM27518). Fold structures are outlined by bedding traces.

The Holmes Vein is different to the other quartz breccia veins located to the north of the felsic intrusive body. Here, there is significant antimony associated with the gold mineralisation. This implies that there is spatial zoning of breccia vein mineralisation with antimony concentrated in veins closer to the felsic intrusives and arsenic with gold further away. If this hypothesis is correct, then there are implications for gold exploration models.

Internally the quartz breccia veins contain extensional veinlets and slickenside textures indicating fault movement. The quartz breccia veins are sub-vertical, strike to the south-east and are up to 500m long and 0.5 and 8.5m wide (Figure 6). They exhibit classic pinch and swell structures so vein thicknesses are variable.

The Bouncer vein sets within EPM 27518 (Bouncer, Bouncer South and Pederson), located near the Mitchell River, consist of three sub-parallel quartz stibnite veins. Bouncer and Bouncer South lie along a one kilometre long vein system hosted by a sequence of mudstone, sandstone and conglomerate (turbidites). There are discrete stibnite-rich pods up to one metre wide in the veins strung together by weakly mineralised quartz chlorite stockwork veining and associated quartz breccia.

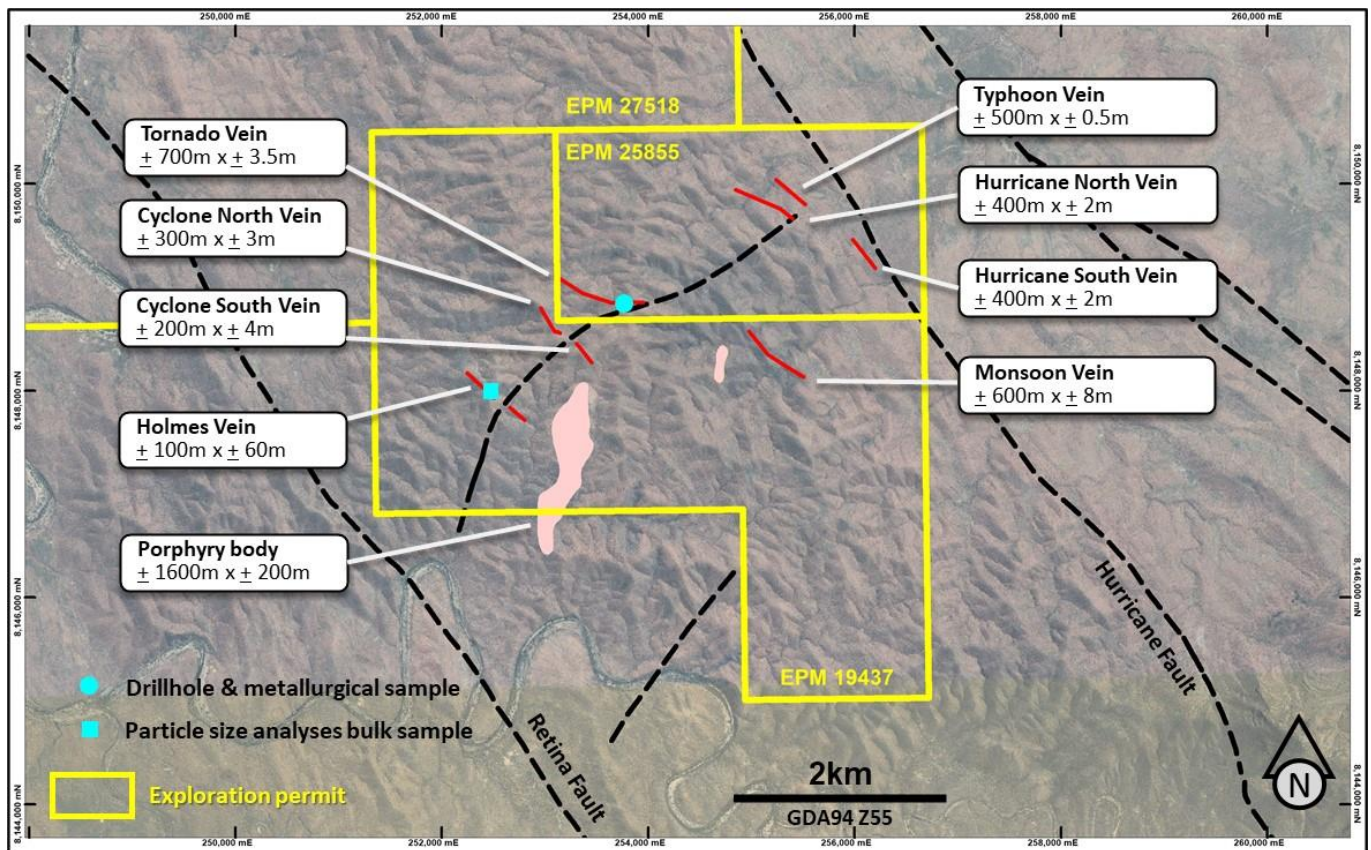


Figure 6. Location of the quartz breccia veins with approximate surface dimensions within EPM 25855 and EPM 19437. Veins pinch and swell along strike.

Exploration work completed to date

Placer Gold's exploration efforts have focused on the gold-bearing quartz breccia veins in EPM19437 and EPM25855 since 2013. Homestake Goldfields of Australia Ltd and Sanworth Ltd previously held coincident Exploration Permits in the project area. A detailed review of information reported by Homestake and Sanworth in 1988 was completed by Placer Gold which proceeded with its own programme of rock chip sampling, geological mapping, bulk sampling and metallurgical testwork.

Breccia vein rock chip sampling in EPM19437 and EPM25855 (refer to Annexures 1, 4 and 5 of NXE's ASX announcement "Purchase of Hurricane Gold Project Queensland and Status of ASX Re-Compliance" dated 24 May 2021)

Within EPM19437, the Holmes, Cyclone and Monsoon veins were rock-chip sampled by Sanworth Pty Ltd/ Hawk Investments Ltd in 1988 and by Placer Gold in 2014 with samples returning up to **21.7g/t Au** as illustrated in Figure 7. The Holmes vein has high grade antimony mineralisation of up to **20% Sb**. However, the Cyclone and Monsoon veins returned maximum Sb assays of 0.16% and 0.03% respectively, indicating negligible antimony mineralisation.

Within EPM25855 the Tornado, Hurricane and Typhoon veins have been rock-chip sampled by Homestake in 1988 and by Placer Gold between 2015 and 2019 (Figure 9) with Homestake's sample number Q4658 returning up to **71.6g/t Au** as illustrated in Figure 7. For verification purposes, leftover residues from the sample collected by Homestake in 1988 that returned 71.6g/t Au were analysed at an umpire laboratory and returned grades of 151g/t and 163g/t Au (refer Annexures 4 and 5 of NXE's ASX announcement "Purchase of Hurricane Gold Project,

Queensland and Status of ASX Re-Compliance" dated 24 May 2021).

Maximum gold assay results (4 to 71g/t Au) from the quartz breccia veins in EPM19437 and 25855 are summarised in Figure 7.

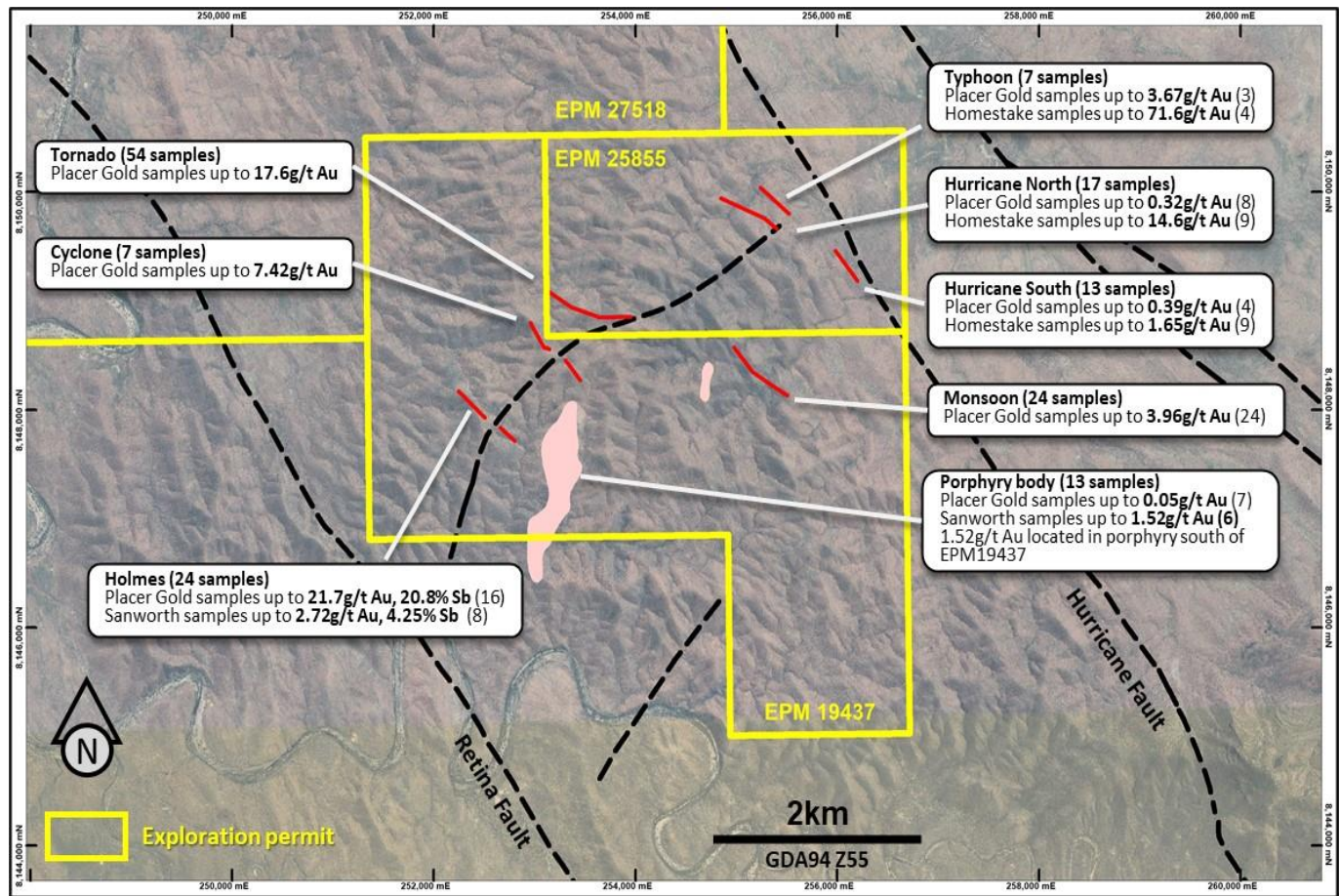


Figure 7. Maximum gold grades from rock chip samples taken from the quartz breccia veins within EPM 25855 and EPM 19437.



Figure 8. Rock chip sampling of the Holmes quartz breccia vein by Placer Gold.

Placer Gold used a portable drilling machine with 60cm long rods (4cm diameter) to recover 2.2m of drill core from the Tornado Vein (Figure 10). The drill penetrated about half of the width of the Tornado Reef and was stopped due to slow penetration rate and the lack of water to keep the drilling machine operational.

ALS Laboratory assayed four drill core samples which returned an average of 1.57g/t Au including one sample that returned **3.77g/t Au** (a full listing of results is attached in Annexure 4 to NXE's ASX announcement "Purchase of Hurricane Gold Project, Queensland and Status of ASX Re-Compliance" dated 24 May 2021).



Figure 9. Rock chip sampling off the Tornado quartz breccia vein by Placer Gold.



Figure 10. Diamond drilling of the Tornado quartz breccia vein by Placer Gold.

Rock chip sampling within EPM27518

Within the recently granted EPM27518, the Bouncer, Bouncer South and Pedersen veins were rock chip sampled by Homestake in 1988 with samples returning up to 9.7 g/t Au (sample Q4625 reported by Classic Comlabs Ltd, Report 9TV0463 – Annexure 4 of NXE's earlier ASX announcement "Purchase of Hurricane Gold Project, Queensland and Status of ASX Re-Compliance" dated 24 May 2021) and 13.6% Sb. The location and description of each vein is illustrated in Figure 11.

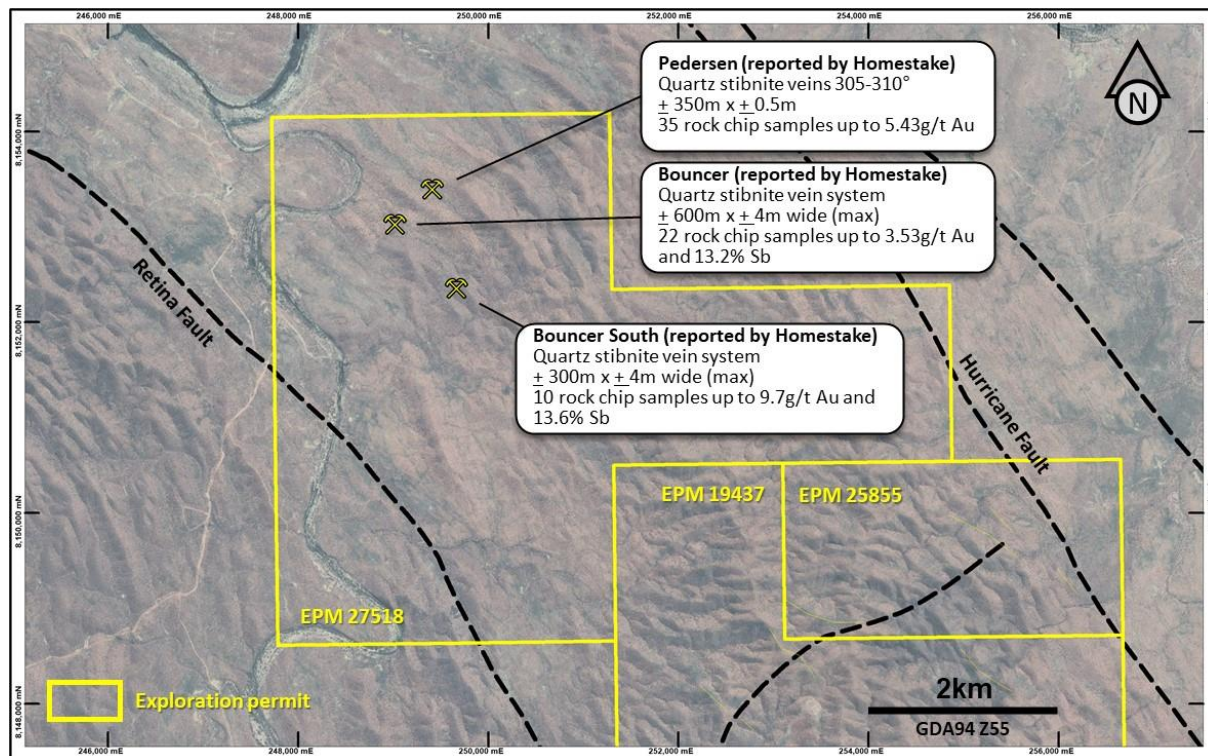


Figure 11. Maximum gold and antimony grades from rock chip samples taken from the quartz breccia veins within EPM 28517.

Metallurgical Testwork by Homestake Australia Ltd

In order to get an understanding of the likely metallurgical characteristics of the mineralisation in the veins, three large, sulphide-bearing rock chip samples were collected by Homestake from the Hurricane North, Bouncer South and Bouncer veins (Open File report CR20231, May 1989).

The samples from Bouncer South and Bouncer contained significant amounts of stibnite. Agitation cyanide leach tests at Amdel Limited's laboratory in Townsville determined the following gold extraction results (Open File report CR20231_3, May 1989):

	Hurricane North	Bouncer South	Bouncer
Au head assay grade	7.5g/t and 5g/t Au	1.65g/t Au	3.6g/t and 3.45g/t Au
Sb head assay grade	120ppm Sb	13.6% Sb	13.2% Sb
Leach time	24 hours	48 hours	48 hours
Gold recovery	99%	40.5%	48%

The presence of antimony in samples from Bouncer South and Bouncer significantly affected the leachability of gold compared to that from Hurricane North even at twice the leach time.

Metallurgical Testwork on Tornado oxidised vein

Gekko Systems Pty Ltd was engaged by Placer Gold in 2017 to conduct metallurgical test work on a 60kg surface bulk sample collected from the Tornado vein with a 4.24g/t Au composite grade (Figure 12). The location of the oxidised metallurgical sample is shown in Figure 6. Metallurgical test work included the following:

- Vertical shaft impactor (VSI) crushing test work and amenability and grade size - gold distribution analysis
- Gravity concentration test work and amenability
- Flotation test work and amenability
- Intense leach test work

The metallurgical test work on the surface oxidised bulk sample from the Tornado vein confirmed the following:

- The gold is very fine-grained
- Consequently gold concentration by gravity separation is not viable
- Gold recovery by cyanide leaching was successful indicating the presence of oxidised non-refractory gold;
- Gold concentration by flotation is preferable for the transitional and sulphide vein ore below the shallow oxidised zone.

The results of the metallurgical test work and the small volumes of oxidised ore from the veins imply that a low capital cost heap leach solution may be the preferred option for gold recovery. Heap leach recoveries would be maximised using fine crushing and agglomeration.

For the Holmes vein, to the south of the Tornado vein, which contains sulphide gold and antimony ore below the oxide zone, the bulk sample was taken for gold grain particle size analysis. The grain size is apparently very fine which implies that gravity concentration may be difficult. The gold is not necessarily refractory and drilling is needed to obtain samples from the transitional and sulphide ore zones for metallurgical test work. If the main gold-bearing sulphide is stibnite (antimony sulphide), the gold may be recovered. Pressure oxygen cyanidation has been used to process gold-antimony ores with excellent recoveries, most notably at the Blue Spec Mine in Western Australia and the Murchison mine in South Africa.

Most of the antimony mineralisation is located at Holmes vein and in the Bouncer area which was not visited or sampled by Placer Gold. When sampling Sb-bearing veins, it is prudent to select rock chips high in stibnite or secondary stibnite to determine if the sample is actually stibnite. As a result, such assays tend to over-estimate the overall Sb content.

In summary, there appear to be two mineralising events: the earlier gold is fine-gold within arsenopyrite and the latter gold is coarse gold associated with antimony.

It is of high interest that there are two gold mineralising events, probably related to the progressive emplacement of granitoid bodies below the vein systems. The faults may connect at depth to granite bodies and represent conduits for gold-bearing solutions.



Figure 12. Bulk sampling of the oxidised Tornado quartz breccia vein for metallurgical testwork by Gekko Systems.

Future Exploration Programme

The following programme of exploration work is needed to advance the project and lay the ground work for resource drilling to determine oxide and sulphide gold and antimony resources:

- Review of past stream sediment sample results to determine whether any follow-up work is needed in areas that have been missed. Alternatively, a programme of -80# stream sediment samples could be undertaken to identify gold and antimony anomalies.
- Rock chip sampling and geological mapping of the Bouncer set of gold-antimony veins to confirm metal grades and identify sites for diamond drilling.
- Channel sampling and geological mapping of the Tornado, Holmes and Cyclone veins.
- Systematic rock chip sampling of the 1.6km long and 100 to 400m wide intrusive felsic body east of the Holmes Vein to follow-up on the 1.52g/t Au rock chip sample reported by Sanworth (1988) to the south of EPM19437. It is possible that the felsic rocks contain low grade gold mineralisation (intrusivestyle gold).
- Follow-up of anomalous gold rock chip samples (0.52, 0.82, 1.0 and 2.22g/t Au) taken by Sanworth within EPM19437 in turbidite sequence away from the quartz breccia veins.
- Helicopter platform airborne magnetic and electromagnetic survey to outline structure and find buried mineralised veins and felsic intrusive bodies.
- Fan drilling of three diamond holes to obtain core samples for gold and antimony assay and mineralogical investigations at the Holmes vein. Drillhole orientations to intersect shallow oxide and deeper transition and sulphide parts of the vein.
- Fan drilling of three diamond holes to obtain core samples for gold and antimony assay and mineralogical investigations at the Tornado vein. Drillhole orientations to intersect shallow oxide and deeper transition and sulphide parts off the vein.

- Geological and assay results from fan drilling to be used to plan a follow-up programme of resource drilling.

COMPETENT PERSON'S STATEMENT

Information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on historical information compiled by Dr Harry Wilhelmij, a Competent Person who is a registered member of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Geoscientists both of which are Recognised Professional Organisations (RPO) included in a list posted on the ASX website. Dr Wilhelmij is an independent geological consultant who was engaged to undertake this work. Dr Wilhelmij has sufficient experience with respect to intrusive and orogenic styles of gold mineralisation, the type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Dr Wilhelmij consents to the inclusion of the data in the form and context in which it appears.

For further information with respect to the Hurricane Project, please refer to the Company's ASX Announcement dated 24 May 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in its previous announcement with respect to the Hurricane Project.

SCHEDULE 5 – SUMMARY OF EXECUTIVE SERVICE AGREEMENT WITH ANDREW HAYTHORPE

<p>Andrew Haythorpe</p>	
<p>Initial part-time Base Salary</p>	<p>From his date of appointment until the date of re-admission and subject to shareholder approval, the Managing Director will be paid wholly in fully paid ordinary shares of the Company issued at a deemed price of \$0.20 per share, at the base salary rate of rate of \$120,000 gross per annum (\$10,000 gross per calendar month) on the basis of 2.5 days of service per week, (excluding superannuation on gross salary which will be paid in cash every quarter).</p> <p>For example, for the first 3 months, he will be entitled to receive \$30,000 wholly in the form of fully paid ordinary shares (150,000 shares).</p> <p>For the period from the date of re-admission of the Company's securities to trading on the ASX until 30 June 2022, and based upon an estimated 2.5 days of service per week, the Company will pay the Managing Director \$120,000 cash gross per annum (\$10,000 gross per calendar month), excluding 9.5% superannuation on gross salary which will be paid in cash every quarter.</p> <p>On and from re-admission to ASX, the Company shall have the right to require the Managing Director to serve full-time at any time within this period if and when Directors consider that the Hurricane Gold Project in northern Queensland so requires e.g. in the event of demonstrable drilling success, whereupon a full-time annual base salary of \$220,000 gross per annum (\$18,333 per month) will apply.</p>
<p>Annual Base Salary</p>	<p>The annual base salary of \$220,000 will be increased over time as follows (subject to annual review by the Company's Remuneration Committee):</p> <ul style="list-style-type: none"> (a) Annual base salary will be increased to \$250,000 per annum gross (excluding 9.5% superannuation) if: <ul style="list-style-type: none"> (i) The Managing Director has met performance requirements in the reasonable opinion of the Board; and (ii) the ASX market capitalisation of the Company reaches \$20,000,000 and remains above that level for at least 20 consecutive trading days. (b) Annual base salary will be increased to \$275,000 per annum gross (excluding 9.5% superannuation) if: <ul style="list-style-type: none"> (i) The Managing Director has met performance requirements in the reasonable opinion of the Board; and (ii) the ASX market capitalisation of the Company reaches \$50,000,000 and remains above that level for at 20 consecutive trading days. (c) Annual base salary will be increased to \$300,000 per annum gross (excluding 9.5% superannuation) if: <ul style="list-style-type: none"> (i) The Managing Director has met performance requirements in the reasonable opinion of the Board; and (ii) the ASX market capitalisation of the Company reaches 100,000,000 and remains above that level for at 20 consecutive trading days.

Issue of Shares	In respect of commencement as Managing Director of the Company and unless his executive service agreement is terminated for any reason, the Company will issue 1,000,000 post-consolidation fully paid ordinary shares in the Company, at an issue price of \$0.001 per share, upon the Company's securities being re-admitted to trading on the ASX, subject to shareholder approval to be sought at the forthcoming general meeting of the Company. These shares are issued in recognition of the risks for Mr Haythorpe in joining the Company as Managing Director prior to the general meeting of shareholders, the proposed capital raising and the re-admission of the Company to ASX.
Other Benefits	Such other benefits as agreed in writing from time to time, including: <ul style="list-style-type: none"> (a) Reasonable telephone, mobile and internet connection and usage costs; and (b) Fringe Benefits Tax where applicable will be borne by the Company.

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact

Proxy Form



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00 am (WST) 7 August 2021**.

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:

In Person:

Here Business & Wealth
Level 1, 9 Bowman Street
South Perth WA 6151

By Mail:

PO Box 840
South Perth WA 6951

By Email:

robert.m@herebusiness.com.au



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

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.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/we being a member/s of New Energy Minerals Ltd 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 New Energy Minerals Ltd to be held at Level 1,9 Bowman Street, South Perth WA 6151 on Monday 9 August 2021 at 11.00 am WST 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 Resolutions 10 to 13, 15 and 16 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 10 to 13, 15 and 16 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

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 Resolutions 10 to 13, 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
1 Change to nature and scale of activities - proposed Transaction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of Shares in consideration for proposed Transaction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Rights Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Options to Baker Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Shares - Empire Exploration Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issue of Shares - Alan Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Issue of Shares to Related Party - Mr Ian Daymond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Issue of Shares to Related Party - Mr Andrew Haythorpe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 Issue of Shares to Related Party - Dr Bernard Olivier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 Issue of Shares to Related Party - Dr Evan Kirby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 Issue of Shares to Mr Robert Marusco	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Issue of Shares to Related Party - Mr Andrew Haythorpe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 Issue of Shares to Related Party - Mr Christiaan Jordaan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 Issue of Shares to Arena	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18 Ratification of prior issue of Shares - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 Approval to issue Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20 Approval to issue Shares	<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 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	<u> </u> / <u> </u> / <u> </u> Date
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	

Update your communication details (Optional)

Mobile Number <input type="text"/>	Email Address <input type="text"/>
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By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

