



FRONTIER RESOURCES LIMITED

ACN 095 684 389

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10:00am (WST)

DATE: Friday, 19 November 2021

PLACE: 104 Colin Street
West Perth, WA 6005

This Notice of General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Company Secretary on +61 8 9420 8208.

Based on the information available at the date of the Notice of Meeting, the Board considers that it will be in a position to hold a physical meeting with appropriate measures in place to comply with Federal and State COVID-19 restrictions regarding gatherings. However, the Company strongly encourages Shareholders to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice of Meeting. The Board will continue to monitor the Covid-19 situation and details of any alternative arrangements for the meeting will issued to Shareholders by no later than 14 days prior to the date of the Meeting or at shorter notice, depending on the circumstances.

In accordance with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not dispatch physical copies of the Notice of General Meeting and Explanatory Statement. Instead, these documents will be emailed to all Shareholders who have provided an email address to the Company's share registrar and are otherwise available on the ASX company announcements platform at

<https://www2.asx.com.au/markets/company/fnt>

How Shareholders Can Participate

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10.00am (WST) on 17 November 2021.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at matt.foy@ftcorporate.com.au. Responses will be provided at the Meeting in respect of all valid questions received prior to 5.00pm (WST) on 17 November 2021. Shareholders who physically attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 8 9420 8208 or by email at matt.foy@ftcorporate.com.au if they have any queries in relation to the Meeting arrangements.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at:

<https://frontierresources.net.au/investor-centre/asx-announcements/>

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Meeting will be held at 10:00am (WST) on 19 November 2021 104 Colin Street, West Perth, WA 6005.

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

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 4.00pm (WST) on 17 November 2021.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - o the proxy is not recorded as attending the meeting; or
 - o the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ALEC PISMIRIS

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

“That, for the purposes of clause 12.3(b)(iv) of the Constitution and for all other purposes, Mr Alec Pismiris, a Director who was appointed on 5 July 2019, retires and, being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum.”

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF UNDERWRITER 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 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of CPS Capital Group Pty Ltd and any Associate of those parties. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.
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Dated: 18 October 2021

By order of the Board

Matthew Foy

Company Secretary

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://frontierresources.net.au/>

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the Company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy. You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member). You *do not* need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, the Proxy Form expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

If you appoint any other person as your proxy.

You do not need to direct your proxy how to vote on this Resolution.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ALEC PISMIRIS

Clause 12.3 of the Constitution provides that:

- (a) A Director must not hold office without re-election:
 - (i) past the third annual general meeting following the Director’s appointment or last election; or
 - (ii) for more than three years,whichever is the longer.

- (b) There must be an election of Directors at each annual general meeting of the Company. This can be satisfied by one or more of the following so long as the maximum number of Directors set by the Company in general meeting (if applicable) is not exceeded:
 - (i) a person standing for election as a new Director having nominated in accordance with article 12.6;
 - (ii) any Director who was appointed under article 12.7 standing for election as a Director;
 - (iii) any Director who is retiring at the end of the annual general meeting due to the tenure limitation in article 12.3(a), standing for re-election; or
 - (iv) if no person or Director is standing for election or re-election in accordance with paragraphs (a), (b) or (c), then the Director who has been a Director the longest without re-election must retire and stand for re-election. If two or more Directors have been a Director the longest and an equal time without re-election, then in default of agreement, the Director to retire will be determined by ballot.

- (c) This article does not apply to one Managing Director who is exempt from retirement and re-election in accordance with article 13.10.

This article 12.3 only applies while the Company is on the official list of ASX.

Mr Pismiris was appointed Non-Executive Director on 5 July 2019 and under Clause 12.3(b)(iv) of the Constitution, retires and seeks re-election. The details of Mr Pismiris’ qualifications, experience and suitability as a director are available in the Company’s Annual Report.

The Board (other than Mr Pismiris) unanimously supports the re-election of Mr Pismiris.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 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 securities it had on issue at the start of that period.

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval by way of a special resolution passes at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**10% Placement Capacity**).

An ‘eligible entity’ means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes as its market capitalisation as at 5 October 2021 was approximately \$12.32 million.

Resolution 3 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of passing Resolution 3 will be to allow the Company to issue Equity Securities up to a combined limit of 25% pursuant to Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 3 is passed the Company will be permitted to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to a maximum of 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 3 for it to be passed.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

4.2 ASX Listing Rule 7.1A

Listing Rule 7.3A.1: A statement of the period for which the approval will be valid.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- the time and date of the entity's next annual general meeting; or
- the time and date of the approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or 11.2.

Listing Rule 7.3A.2: A statement of the minimum price at which the equity securities may be issued under rule 7.1A.2.

Pursuant to ASX Listing Rule 7.1A.3 the issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

Equity securities that may be issued under listing rule 7.1A will only be in an existing quoted class of securities.

Listing Rule 7.3A.3: A statement of the purposes for which the funds raised by an issue of equity securities under rule 7.1A.2 may be used.

The Company may only issue equity securities under the Additional Placement Capacity for cash consideration to raise funds for the development of the Company's existing assets, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities under the Additional Placement Capacity.

Listing Rule 7.3A.4: A statement of the risk of economic and voting dilution to existing ordinary security holders that may result from an issue of equity securities under rule 7.1A.2 including the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the approval under rule 7.1A; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1 below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the current market price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% against the current market price.

| Number of Shares on Issue | Issue Price (per Share) | Dilution | | |
|---|-------------------------|--|--------------------------------|--|
| | | \$0.011 50% decrease in Issue Price | \$0.022 Current Issue Price | \$0.033 50% increase in Issue Price |
| 641,441,482 (Current) | 10% voting dilution | 64,144,148 Shares | 64,144,148 Shares | 64,144,148 Shares |
| | Funds raised | \$705,586 | \$1,411,171 | \$2,116,757 |
| 962,162,223 (50% increase) | 10% voting dilution | 96,216,222 Shares | 96,216,222 Shares | 96,216,222 Shares |
| | Funds raised | \$1,058,378 | \$2,116,757 | \$3,175,135 |
| 1,282,882,964 (100% increase) | 10% voting dilution | 128,288,296 Shares | 128,288,296 Shares | 128,288,296 Shares |
| | Funds raised | \$1,411,171 | \$2,822,343 | \$4,233,514 |

The above table is based on the following assumptions:

- The number of shares on issue (Variable "A") is calculated as 641,441,482, being all the fully paid ordinary shares on issue as at the date of this Notice.
- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under Listing Rule 7.1.
- The issue of equity securities under the Additional Placement Capacity includes only Shares.
- The issue price of \$0.022 was the closing price of shares on ASX 22 September 2021.

Listing Rule 7.3A.5: Details of the eligible entity's allocation policy for issues under rule 7.1A.2.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from the Company's advisors.

As the Company has no current plans to undertake a new capital raising using its additional 10% placement capacity, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Listing Rule 7.3A.6: If the eligible entity has issued or agreed to issue any equity securities under rule 7.1A.2 in the 12 months preceding the date of the meeting details of such issues.

The Company previously sought and obtained shareholder approval under Listing Rule 7.1A at the immediately prior Annual General Meeting held 12 November 2020.

In accordance with Listing Rule 7.3A.6, in the 12 months preceding the date of this meeting, the Company issued 48,910,193 ordinary shares pursuant to ASX Listing Rule 7.1A.2 representing 9.99% of the total number of equity securities on issue from the commencement of the last approval of Listing Rule 7.1A.

The Equity Securities issued in the preceding 12 month period meeting pursuant to ASX Listing Rule 7.1A comprised those issues as set out in **Schedule 1**.

Listing Rule 7.3A.7: If at the time of dispatching the notice the entity is proposing to make an issue of equity securities under rule 7.1A.2, a voting exclusion statement.

A voting exclusion statement has not been included in this Notice because as at the date of this Notice the Company has not approached any particular investor to participate in an issue of equity securities under the Additional Placement Capacity. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice. When the Company issues equity securities pursuant to the Additional Placement Capacity, it will give to ASX:

- a list of the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- the information required by Listing Rule 3.10.5A for release to the market.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF UNDERWRITING OPTIONS

5.1 Background

On 27 August 2021 the Company announced a capital raising of approximately \$957,290 (before costs) through a non-renounceable entitlement offer of 1 (one) fully paid ordinary share for every 8 (eight) existing shares to shareholders with a registered address in Australia and New Zealand held as at 5.00pm (AEDT) on Wednesday, 1 September 2021 (**Entitlement Offer**). Pursuant to the Entitlement Offer, the Company issued approximately 73,637,743 New Shares at an issue price of \$0.013 each, to raise approximately \$957,290 (before costs).

The Entitlement Offer was fully underwritten by CPS Capital Pty Ltd who were paid a fee of 6% of the underwritten amount as well as 10,000,000 options exercisable at \$0.02 per option expiring 3 years from their date of issue at an issue price of \$0.00001 (**Underwriter Options**).

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Underwriter Options.

5.2 Regulatory Requirements

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

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 into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and so it 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 into the future without having to obtain shareholder approval for such issues under Listing Rules 7.1.

If Resolution 4 is passed, the issue of the Underwriter Options 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 Advisor Options.

If Resolution 4 is not passed, the issue of the Underwriter Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Underwriter Options.

5.3 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:

- a) the Underwriter Options were issued to nominees of CPS Capital Group Pty Ltd who is not a related party to the Company. CPS Capital was appointed Underwriter to the Entitlement Offer and were paid a fee of 6% of the underwritten amount as well as 10,000,000 options exercisable at \$0.02 per option expiring 3 years from their date of issue at an issue price of \$0.00001;
- b) the Underwriter Options are exercisable at \$0.02 expiring on 13 August 2024 and otherwise on the terms and conditions detailed in Schedule 2;
- c) the Underwriter Options were issued on 1 October 2021 at an issue price of \$0.00001. Funds raised from the issue of Underwriter Options were used for working capital;
- d) the Underwriter Options were issued as consideration for the services provided by CPS Capital Group Pty Ltd as underwriter to the Entitlement Offer; and
- e) A voting exclusion statement is included in the Notice.

The Board believes that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 4.

GLOSSARY

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| \$ | means Australian dollars. |
| 5-day VWAP | means the price that is equal to the volume weighted average market price of shares in the Company, calculated over the last 5 days on which sales in the shares of the Company were recorded before the date of this Meeting. |
| Annual General Meeting or Meeting | means the meeting convened by the Notice. |
| ASIC | means the Australian Securities & Investments Commission. |
| ASX | means ASX Ltd (ACN 008 624 691) or the financial market operated by ASX Ltd, as the context requires. |
| ASX Listing Rules | means the Listing Rules of ASX. |
| Board | means the current board of directors of the Company. |
| Business Day | means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day. |
| Chair | means the chair of the Meeting. |
| Closely Related Party | of a member of the Key Management Personnel means 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 Frontier Resources Limited (ACN 095 684 389). |
| Constitution | means the Company's constitution. |
| Corporations Act | means the <i>Corporations Act 2001</i> (Cth). |
| Directors | means the current directors of the Company. |
| Entitlement Offer | has the meaning set out in section 5.1. |
| Explanatory Statement | means the explanatory statement accompanying 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. |
| Managing Director | means the managing director of the Company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office. |
| Notice or Notice of Meeting | means this notice of meeting including the Explanatory Statement and the Proxy Form. |
| Ordinary Securities | has the meaning set out in the ASX Listing Rules. |
| Proxy Form | means the proxy form accompanying the Notice. |
| Remuneration Report | means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021. |
| Resolutions | means the resolutions set out in the Notice, or any one of them, as the context requires. |
| Restricted Voter | means Key Management Personnel and their Closely Related Parties as at the date of the meeting. |
| Share | means a fully paid ordinary share in the capital of the Company. |
| Shareholder | means a registered holder of a Share. |
| Underwriter Options | has the meaning set out in section 5.1. |

SCHEDULE 1 - EQUITY SECURITIES ISSUED SINCE 2020 AGM PURSUANT TO LISTING RULE 7.1A

| Date of issue | Number issued | Class/Type of equity security and Summary of terms | Names of persons who received securities or basis on which those persons was determined | Issue Price / Discount | Consideration | |
|---------------|---------------|--|---|--|---|--|
| 6 August 2021 | 48,910,193 | Ordinary shares | Sophisticated and professional Investors. | Issue Price \$0.013 each Discount 54% | Total cash consideration | \$635,832 |
| | | | | | Amount of cash consideration spent and description of what consideration was spent on | \$Nil |
| | | | | | Intended use for remaining cash consideration | Exploration and Development work at Tolukuma project |
| | | | | | Non-cash consideration paid and current value of that non-cash consideration | Nil |

SCHEDULE 2 - TERMS AND CONDITIONS OF UNDERWRITER OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 13 August 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Subject to the Company obtaining any necessary Shareholder approval or regulatory approvals for the issue of the underlying Shares, within 15 Business Days after the Exercise Date, the Company will:

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are not transferable except as follows:

- (i) to transferees who are sophisticated or professional investors in accordance with section 708 of the Corporations Act or other persons who do not require a prospectus under the Corporations Act; and
- (ii) provided that on or before the transfer the holder gives notice of the transfer to the Company specifying the number of Options being transferred, the date of the transfer and the name and address of the transferee.



ABN 96 095 684 389

Need assistance?

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

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Wednesday, 17 November 2021.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 186054

SRN/HIN:

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

By Mail:

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

By Fax:

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



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

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

XX

I/We being a member/s of Frontier Resources Limited 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 Annual General Meeting of Frontier Resources Limited to be held at 104 Colin Street, West Perth, WA 6005 on Friday, 19 November 2021 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is 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 Resolution 1 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 |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Director-Mr Alec Pismiris | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Approval of 10% Placement Capacity- Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Ratification of Prior Issue of Underwriter Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

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

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

Update your communication details (Optional)

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

