



Fargo Enterprises Limited

ACN 000 031 292

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at the offices of the Company, at Unit 1, 295 Rokeby Road, Subiaco WA 6008 on Friday, 26 November 2021 at 2.00pm (WST).

The Notice of Annual General Meeting should be read in its entirety.

If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on +61 (08) 6555 2950.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice.

Fargo Enterprises Limited
ACN 000 031 292
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Fargo Enterprises Limited will be held at the offices of the Company, at Unit 1, 295 Rokeby Road, Subiaco WA 6008 on Friday, 26 November 2021 at 2.00pm (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

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 as Shareholders on 24 November 2021 at 5pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Voting prohibitions

In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person 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 does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

2 Resolutions

Resolution 1 – Remuneration Report

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

"That the Remuneration Report be adopted by Shareholders on the terms and conditions in the Explanatory Memorandum."

Resolution 2 – Election of Mr Phillip Coulson

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

"That, in accordance with Article 7.6(c) of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Phillip Coulson, a Director who was appointed on 29 January 2021, retires and, being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum."

Resolution 3 – Consolidation of capital

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

"That, subject to each of the other Transaction Resolutions being passed, pursuant to and in accordance with section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the terms and conditions in the Explanatory Memorandum, on the basis that:

- (a) every 5 Shares be consolidated into 1 Share; and*
- (b) all Options on issue be adjusted in accordance with Listing Rule 7.22,*

and, where this Consolidation results in a fraction of a security being held, the Company be authorised to round that fraction down to the nearest whole security."

Resolution 4 – Approval to change in nature and scale of activities

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

"That, subject to each of the other Transaction Resolutions being passed, pursuant to and in accordance with Listing Rule 11.1.2 and for all other purposes, Shareholders approve the significant change in the nature and scale of the Company's activities resulting from the Transaction and the Public Offer, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Odessa, the Odessa Shareholders, the Odessa Optionholders 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 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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Resolution 5(a) and (b) – Approval to issue Consideration Shares to Odessa Shareholders and Consideration Options to the Odessa Optionholders

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

"That, subject to each of the other Transaction Resolutions being passed, and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of the following (on a post Consolidation basis):

- (a) 196,322,384 Shares to the Odessa Shareholders (or their respective nominees); and
 - (b) 98,161,192 Options to the Odessa Optionholders (or their respective nominees),
- on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of the Odessa Shareholders and the Odessa Optionholders (and their respective nominees) and any person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) 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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Resolution 6 – Approval to issue Public Offer Shares

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

"That, subject to each of the other Transaction Resolutions being passed, and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 300,000,000 Shares (on a post Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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 Shareholder) or any of their respective associates.

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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Resolution 7(a) and (b) – Participation in Public Offer by Mr Zane Lewis and Ms Lisa Wells

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

"That, subject to each of the other Transaction Resolutions being passed, and pursuant to and in accordance with Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of Shares to the Related Party Participants (or their respective nominees) as follows (on a post Consolidation basis):

- (a) *up to 2,500,000 Shares to Mr Zane Lewis; and*
 - (b) *up to 1,000,000 Shares to Ms Lisa Wells,*
- on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 7(a) by or on behalf of Mr Zane Lewis (and his nominees) 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 Shareholder), or an associate of those persons;
- (b) Resolution 7(b) by or on behalf of Ms Lisa Wells (and her nominees) 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 Shareholder), 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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Resolution 8(a) and (b) – Election of Directors

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

"That, subject to each of the other Transaction Resolutions being passed, Completion, and pursuant to and in accordance with Article 7.4 of the Constitution and for all other purposes, the following persons, being eligible and having consented to act, be elected as Directors on and from Completion:

- (a) *Dr Darren Holden; and*
- (b) *Ms Lisa Wells."*

Resolution 9 – Approval of change of Company name

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

"That, subject to each of the other Transaction Resolutions being passed, the change of the Company name to "Odessa Minerals Limited" is approved under and for the purposes of section 157 of the Corporations Act and for all other purposes, with effect from the date that ASIC alters the details of the Company's registration."

Resolution 10 – Approval of Employee Securities Incentive Plan

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

"That, subject to each of the other Transaction Resolutions being passed, the establishment of the employee incentive scheme of the Company known as the "Odessa Minerals Limited Employee Securities Incentive Plan" and the issue of Securities under that plan are approved under and for the purposes of exception 13(b) of Listing Rule 7.2 and for all other purposes, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.

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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Voting prohibitions

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

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such 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.

Resolution 11(a), (b) and (c) - Approval to issue Options to Related Parties

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

"That, subject to each of the other Transaction Resolutions being passed, and pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Options to the Related Parties (or their respective nominees) as follows (on a post Consolidation basis):

- (a) up to 7,500,000 Options to Mr Zane Lewis (or his nominees);
 - (b) up to 7,500,000 Options to Dr Darren Holden (or his nominees); and
 - (c) up to 7,500,000 Options to Ms Lisa Wells (or her nominees),
- on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 11(a) by or on behalf of Mr Zane Lewis (and his nominees) 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 Shareholder), or an associate of those persons;
- (b) Resolution 11(b) by or on behalf of Dr Darren Holden (and his nominees) 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 Shareholder), or an associate of those persons; and
- (c) Resolution 11(c) by or on behalf of Ms Lisa Wells (and her nominees) 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 Shareholder), 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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Voting prohibitions

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

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such 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.

Resolution 12 – Approval to issue Lead Manager Options

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

"That, subject to each of the other Transaction Resolutions being passed, the issue of up to 20,000,000 Options to Pursuit Capital (or its nominees) is approved under and for the purposes of Listing Rule 7.1 and for all other purposes, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Pursuit Capital and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any of their respective associates.

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;

- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

Resolution 13 – Removal of auditor

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

"That the removal of William Buck (NSW) Pty Limited as the current auditor of the Company effective from the date of the Meeting is approved under and for the purposes of section 329(1) of the Corporations Act and for all other purposes."

Resolution 14 – Appointment of auditor

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

"That, subject to Resolution 13 being passed, the appointment of Hall Chadwick, being qualified and having been nominated and consented in writing to act in the capacity of auditor of the Company, as auditor of the Company effective from the date of the Meeting is approved under and for the purposes of section 327D of the Corporations Act and for all other purposes and the Directors are authorised to agree the remuneration of Hall Chadwick."

Resolution 15 – Approval of 10% Placement Facility

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

"That the Company have the additional capacity to issue Equity Securities provided for in Listing Rule 7.1A on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

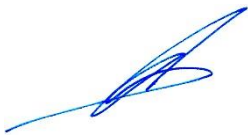
The Company will disregard any votes cast in favour of this Resolution, if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any 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;

- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD



Zane Lewis
Non-Executive Director
Fargo Enterprises Limited
Dated: 28 October 2021

Fargo Enterprises Limited
ACN 000 031 292
(Company)

Explanatory Memorandum

1 Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of the Company, at Unit 1, 295 Rokeby Road, Subiaco WA 6008 on Friday, 26 November 2021 at 2.00pm (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1	Introduction
Section 2	Voting and attendance information
Section 3	Conditional Transaction Resolutions
Section 4	Background to the Transaction
Section 5	Risks associated with the Transaction
Section 6	Annual Report
Section 7	Resolution 1 – Remuneration Report
Section 8	Resolution 2 – Election of Mr Phillip Coulson
Section 9	Resolution 3 – Consolidation of capital
Section 10	Resolution 4 – Approval to change in nature and scale of activities
Section 11	Resolution 5(a) and (b) - Approval to issue Consideration Shares to Odessa Shareholders and Consideration Options to Odessa Optionholders
Section 12	Resolution 6 – Approval to issue Public Offer Shares
Section 13	Resolution 7(a) and (b) – Participation in Public Offer by Mr Zane Lewis and Ms Lisa Wells
Section 14	Resolution 8(a) and (b) – Election of Directors
Section 15	Resolution 9 – Approval of change of Company name
Section 16	Resolution 10 – Approval of Employee Securities Incentive Plan
Section 17	Resolution 11(a), (b) and (c) - Approval to issue Options to Related Parties
Section 18	Resolution 12 – Approval to issue Lead Manager Options
Section 19	Resolution 13 and Resolution 14 – Removal and appointment of auditor
Section 20	Resolution 15 – Approval of 10% Placement Facility
Schedule 1	Definitions
Schedule 2	Transaction Based Comparison Table

Schedule 3	Odessa Financial Statements
Schedule 4	Pro forma Balance Sheet
Schedule 5	Terms and Conditions of Consideration Options, Incentive Options and Lead Manager Options
Schedule 6	Terms and conditions of Listing Rule Waivers
Schedule 7	Summary of Employee Securities Incentive Plan
Schedule 8	Notice of nomination
Schedule 9	Tenement list

A Proxy Form is located at the end of the Explanatory Memorandum.

2 Voting and attendance information

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affects the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

2.2 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

2.3 Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online:	https://investor.automic.com.au/#/loginsah
By mail:	Automic GPO Box 5193 Sydney NSW 2001
In person	Automic Level 5, 126 Phillip Street Sydney NSW 2000
By email:	meetings@automicgroup.com.au
By fax:	+61 2 8583 3040
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3 Conditional Transaction Resolutions

Resolution 3 to Resolution 12, inclusive (**Transaction Resolutions**) are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the Meeting. If any of the Transaction Resolutions are not approved at the Meeting, none of the Transaction Resolutions will take effect and the Transaction and other matters contemplated by the Transaction Resolutions will not be completed.

4 Background to the Transaction

4.1 Existing activities of the Company

The Company was incorporated on 14 November 1935 and admitted to the Official List of ASX on 3 July 1986. The Company's securities were suspended from official quotation on 26 July 2021 at the request of the Company and have remained suspended since that date.

On 23 August 2021, the Company announced that it had entered into a binding terms sheet (**Terms Sheet**) with Odessa Minerals Limited (**Odessa**) and certain key shareholders of Odessa that are designated as a major shareholder (together, the **Major Shareholders** and each a **Major Shareholder**) whereby the Company will, on the satisfaction of various conditions precedent, acquire 100% of the issued capital in Odessa (**Transaction**).

Odessa holds:

- (a) a 90% interest in the Aries Project (which comprises of one granted exploration licence E 80/5027 (**Aries Tenement**)); and
- (b) a 100% interest in the Calwynyardah Project (which comprises of one granted exploration licence E 04/2364 (**Calwynyardah Tenement**)).

Odessa has also entered into the Licence and Tenement Sale Agreement with Celsius (summarised in Section 4.7(a)(ii)) to acquire a 100% interest in the Aries Extension Project, which comprises exploration licence application E 80/5117 (**Aries Extension Tenement**).

The Aries Project, Calwinyardah Project and Aries Extension Project are located in the Kimberley region of Western Australia and are considered prospective for diamonds.

Odessa is also the registered holder of 11 applications for exploration licences located in the Ellendale Diamond Field, the Calwinyardah Diamond Field and the Noonkanbah Diamond Field in the Kimberley region of Western Australia and which are considered prospective for diamonds.

A full list of Tenements in which Odessa holds an interest is set out in Schedule 9.

On Completion, Odessa will become a wholly owned subsidiary of the Company, and the Company's main undertaking will be the exploration and development of the Projects.

4.2 The Transaction

(a) Terms Sheet

The Company has entered into a Terms Sheet with Odessa and the Major Shareholders of Odessa dated 23 August 2021, which contemplates the Company acquiring 100% of the issued capital in Odessa and the cancellation of outstanding options in Odessa in consideration for 196,322,384 fully paid ordinary shares in the Company to be issued to the shareholders of Odessa (on a post Consolidation basis) (**Consideration Shares**) and 98,161,192 unquoted options exercisable at \$0.04 on or before 4 years from the date of grant, to be granted to the option holders of Odessa (**Odessa Optionholders**) (**Consideration Options**).

Completion under the Terms Sheet remains subject to satisfaction (or waiver) of certain key conditions precedent, including:

- (i) **(Due diligence on Odessa)** the Company completing due diligence on Odessa to its satisfaction;
- (ii) **(Due diligence on the Company)** Odessa completing due diligence on the Company to its satisfaction;
- (iii) **(Shareholder approval)** the Company obtaining all necessary Shareholder approvals required by the Corporations Act and the Listing Rules in relation to the Transaction, including any approvals required to re-comply with the admission and quotation requirements of ASX, including without limitation the Transaction Resolutions summarised in Section 4.2(b);
- (iv) **(ASX Waivers)** the Company obtaining all necessary waivers and confirmations required by the Listing Rules in relation to the Transaction;
- (v) **(ASX re-compliance)** the Company receiving conditional approval from ASX confirming that ASX will grant re-quotation of its Shares on the Official list, on terms reasonably acceptable to the Company;
- (vi) **(Public Offer)** the Company raising not less than \$5 million at an issue price of at least \$0.02 per Share;
- (vii) **(Prospectus)** the Company lodging a full form prospectus with the ASIC to complete the Public Offer and to re-comply with Chapters 1 and 2 of the Listing Rules;
- (viii) **(Prospectus)** Odessa being reasonably satisfied with the content of the Prospectus, the offer price under the Prospectus, the terms of all lead manager or

underwriting agreements in respect of the Public Offer (if any) or the content of the Appendix 1A to be lodged with ASX within 7 days of lodging the Prospectus with ASIC;

- (ix) **(Minority Shareholder Agreements)** Odessa procuring that each Minority Shareholder enters into a Minority Shareholder Agreement, under which the Minority Shareholder will agree to transfer their Odessa shares to the Company and the Company agrees to accept the transfer of those Odessa shares and issue the proportion of Consideration Shares to them; and
- (x) **(Option Cancellation Deeds)** each Odessa Optionholder entering into an Option Cancellation Deed, under which the Odessa Optionholder agrees to the cancellation of their respective Odessa options and the Company agrees to issue their proportion of the Consideration Options to them.

If any of the conditions precedent set out above (other than the conditions precedent referred to in Sections 4.2(a)(viii) and (x)) are not satisfied (or waived) by 30 November 2021 (or such later date as the parties may agree), either the Company or Odessa may terminate the Terms Sheet.

Completion will take place 5 business days after satisfaction or waiver of the Conditions Precedent (or such other date as the parties may agree). On Completion, the Company will acquire 100% of the issued capital in Odessa in consideration for the issue of Consideration Shares and Consideration Options.

On Completion, Dr Catriona Wallace and Mr Phillip Coulson will resign as Directors, Mr Zane Lewis will remain as a Director (with Mr Lewis becoming Non-Executive Chair), and two nominees of Odessa (being Dr Darren Holden and Ms Lisa Wells) will be appointed as Non-Executive Directors (subject to Shareholder approval).

The Terms Sheet contains additional provisions, including warranties and indemnities in relation to the status and operations of Odessa which are considered standard for agreements of this kind. These warranties have been provided by Odessa and the Major Shareholders.

(b) **Transaction Resolutions**

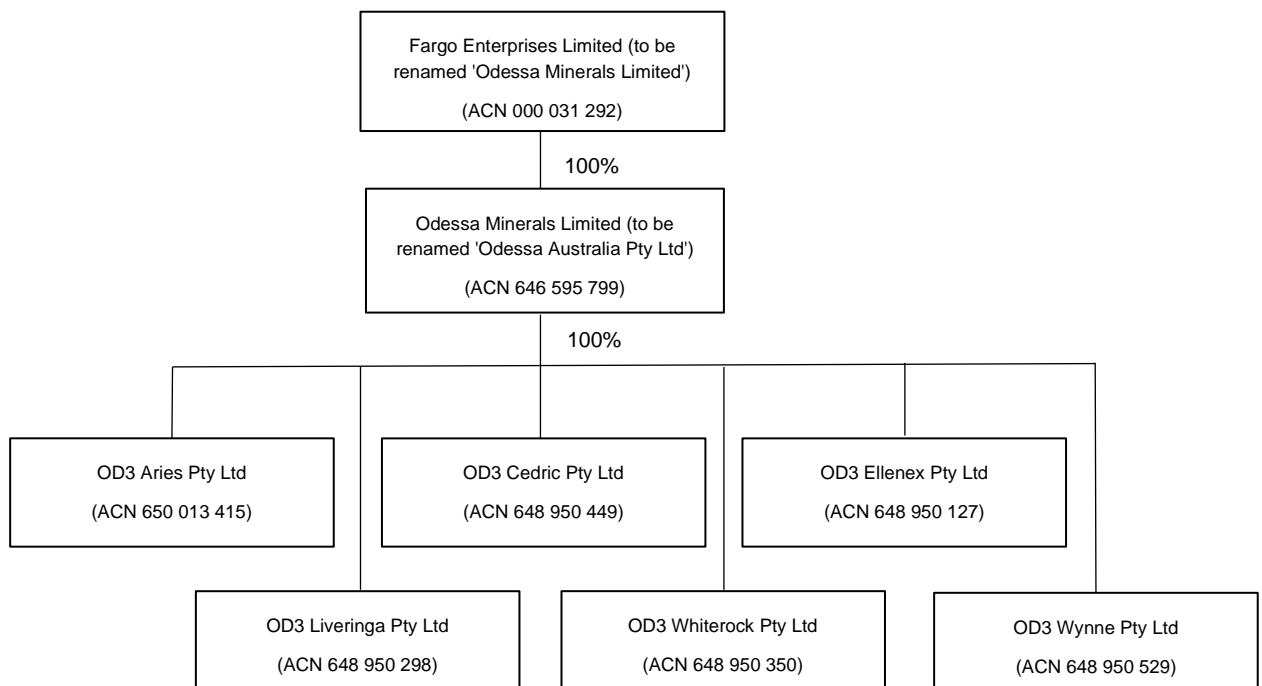
As noted above, completion under the Terms Sheet is conditional on Shareholders approving the Transaction Resolutions. A summary of the Transaction Resolutions is as follows:

- (i) the approval for the consolidation of the Company's issued capital on a 5 to 1 basis (Resolution 3);
- (ii) the 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 (Resolution 4);
- (iii) the following Resolutions (on a post-Consolidation basis):
 - (A) the issue of 196,322,384 Consideration Shares to the Odessa Shareholders (or their nominees) in consideration for the Company's acquisition of the Odessa shares held by the Odessa shareholders (Resolution 5(a));
 - (B) the issue of 98,161,192 Consideration Options to the Odessa Optionholders in consideration for the cancellation of the Odessa options held by the Odessa Optionholders (Resolution 5(b));

- (C) the issue of up to 300,000,000 Public Offer Shares (Resolution 6);
- (D) the issue of up to:
 - (1) 2,500,000 Public Offer Shares to Mr Zane Lewis (Resolution 7(a)); and
 - (2) 1,000,000 Public Offer Shares to Ms Lisa Wells (Resolution 7(b));
- (iv) the appointment of the following persons as Directors of the Company (Resolution 8(a) and Resolution 8(b));
 - (A) Dr Darren Holden; and
 - (B) Ms Lisa Wells;
- (v) approval for the change of name of the Company to 'Odessa Minerals Limited' (Resolution 9);
- (vi) approval of a new employee securities incentive plan (Resolution 10);
- (vii) approval to issue the Incentive Options to the Related Parties (or their respective nominees) (Resolution 11); and
- (viii) approval to issue the Lead Manager Options to Pursuit Capital (or its nominees) (Resolution 12).

(c) **Corporate Structure**

The diagram below summarises the corporate structure of the Company following Completion:



Notes:

1. All subsidiaries of Odessa are registered in Australia and are 100% wholly owned by Odessa.
2. Prior to Completion, Odessa intends to change company type to a proprietary limited company, and change its name to 'Odessa Australia Pty Ltd' to allow for the change of Company name to 'Odessa Minerals Limited' (refer to Section 15 for details).

4.3 Overview of Odessa

(a) General overview

Odessa holds:

- (i) a 90% interest in the Aries Project (which comprises the Aries Tenement); and
- (ii) a 100% interest in the Calwinyardah Project (which comprises the Calwinyardah Tenement).

Odessa has also entered into the Licence and Tenement Sale Agreement with Celsius (summarised in Section 4.7(a)(ii)) to acquire a 100% interest in the Aries Extension Project, which comprises the Aries Extension Tenement.

The Aries Project, Calwinyardah Project and Aries Extension Project are located in the Kimberley region of Western Australia and are considered prospective for diamonds.

Odessa is also the registered holder of 11 applications for exploration licences located in the Ellendale Diamond Field, the Calwinyardah Diamond Field and the Noonkanbah Diamond Field in the Kimberley region of Western Australia and which are considered prospective for diamonds.

A full list of Tenements in which Odessa holds an interest is set out in Schedule 9.

(b) Location

The Projects are located in the West Kimberley region of Western Australia. Location maps in respect of the Projects are shown in Figures 1, 2 and 3.

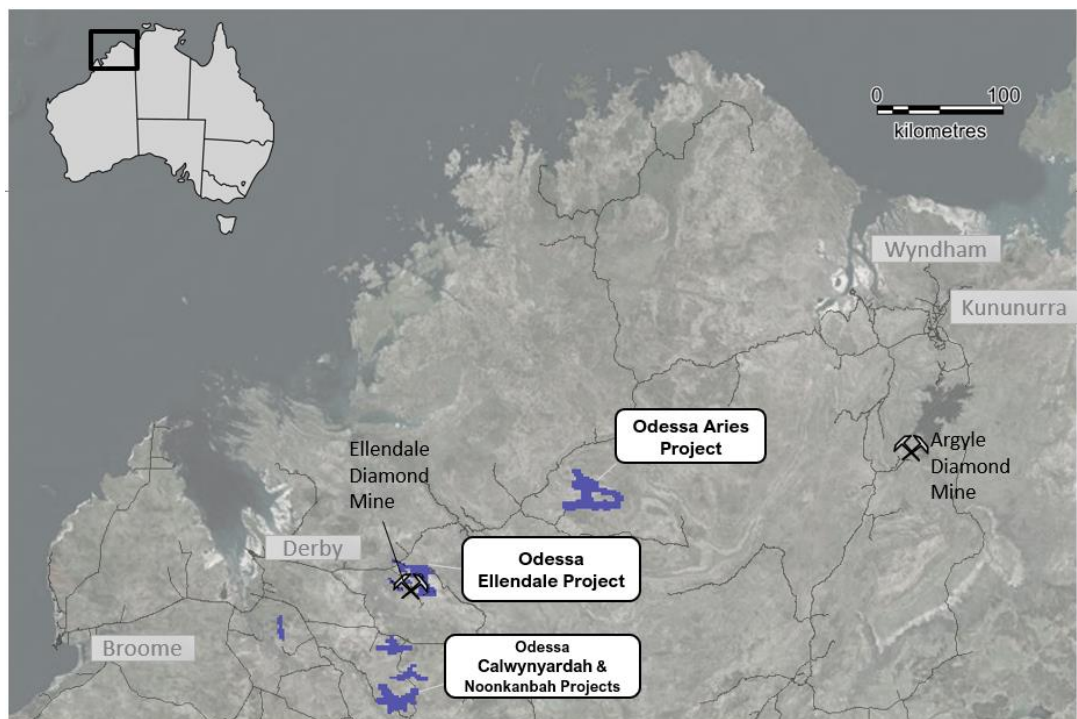


Figure 1: Project Location Map, Kimberley, Western Australia

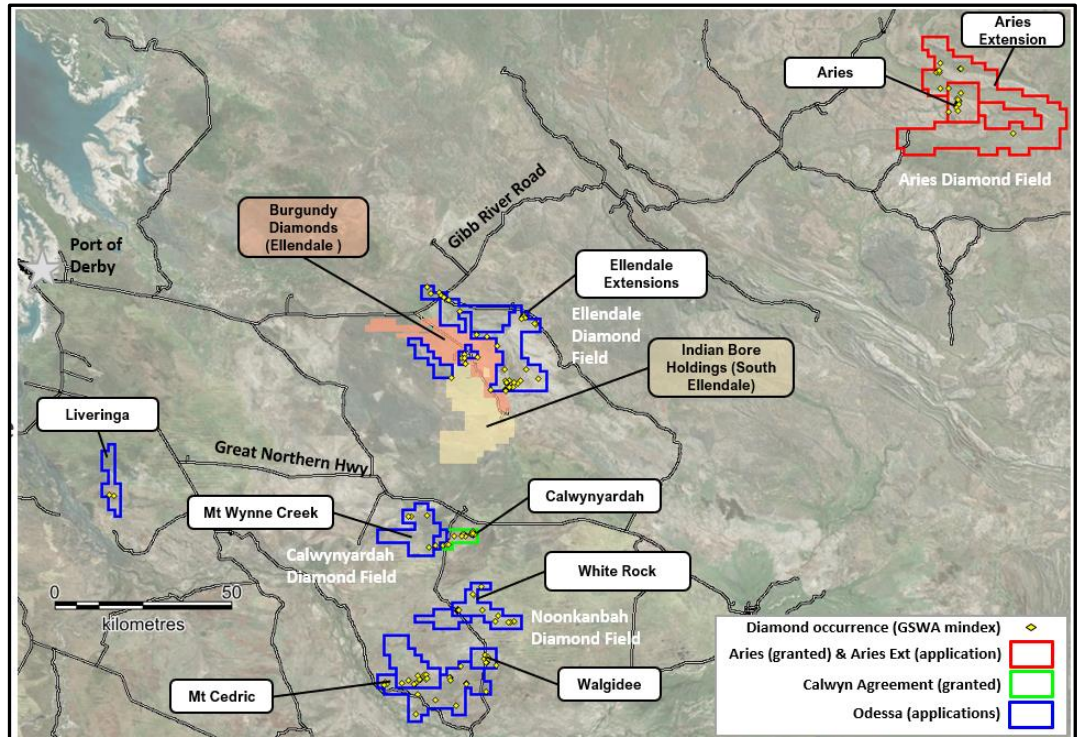


Figure 2: Project Location Map, Kimberley, Western Australia (with other significant diamond companies labelled)

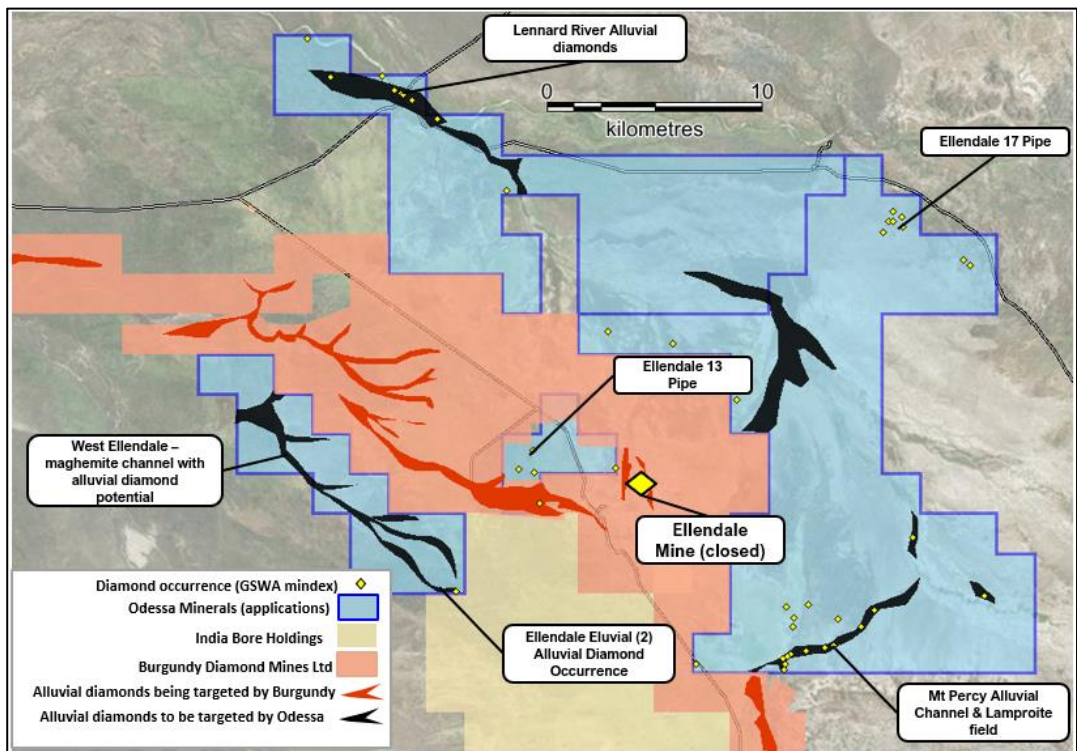


Figure 3: Odessa applications in Ellendale area, shown in proximity to Burgundy Diamond Mines Ltd projects (Burgundy held alluvial channel locations sourced from presentation published on www.burgundy-diamonds.com/).

(c) **Aries Project and Aries Extension Project**

Odessa holds a 90% interest in the Aries Project, which comprises the Aries Tenement, and which was acquired pursuant to the Aries Tenement Sale Agreement summarised in Section 4.7(a)(i) (with Jindalee holding the remaining 10% interest in the Aries Project).

Odessa has also entered into the Licence and Tenement Sale Agreement summarised in Section 4.7(a)(ii) to acquire a 100% interest in the Aries Extension Project, which comprises the Aries Extension Tenement.

The Aries diamond bearing kimberlites were discovered in 1986 by Freeport Ltd. The project area has previously received several campaigns including drilling and bulk sampling. Whilst there are no declared mineral resource estimations, due diligence on this project conducted by consultants of the Company has indicated that the diamond bearing systems are extensive and have potential for follow up work.

(d) **Calwynyardah Project**

Odessa holds a 100% interest in the Calwynyardah Project, which comprises the Calwynyardah Tenement.

The project area contains the Calwynyardah and Laymans Bore diamond bearing lamproite pipe. Previous work has been insufficient to accurately determine a mineral resource.

In addition, Odessa holds three exploration licence applications over the Mt Wynne Creek and Liveringa areas (E 04/2693, E 04/2695 and E 04/2705), which have identified diamond bearing lamproites, with insufficient previous exploration to determine grades. These applications for exploration licences are in the name of Odessa and are yet to be granted. Refer to Section 5.3(a) for a description of the grant risk associated with applications for exploration licences.

(e) **Ellendale Project**

Odessa holds four mineral exploration licence applications surrounding the historic Ellendale Diamond Mine (E 04/2696, E 04/2697, E 04/2698 and E 04/2699). The area has potential for both diamond bearing lamproite pipes and alluvial diamonds. These applications for exploration licences are in the name of Odessa and are yet to be granted. Refer to Section 5.3(a) for a description of the grant risk associated with applications for exploration licences.

(f) **Noonkanbah Project:**

Odessa holds four mineral exploration licence applications (E 04/2694, E 04/2704, E 04/2707 and E 04/2719) covering multiple known diamond occurrences, including the Walgidee Lamproite - the largest known (by area) diamond bearing lamproite in Australia. These applications for exploration licences are in the name of Odessa and are yet to be granted. Refer to Section 5.3(a) for a description of the grant risk associated with applications for exploration licences.

(g) **Proposed Activities**

The Company proposes to undertake the following activities in respect of the Projects:

- (i) **Aries Project:** historic data integration, ground based geophysics to assess paleo-channel location and target areas; surface geochemistry to assess pathfinders on kimberlites; Mineral Resource assessment (geological modelling, diamond recovery test work (on alluvial channels and potential of kimberlite pipes), microdiamond and macrodiamond testwork (for grade estimation) and the

relocation and survey of historic exploration activities), and if warranted following surface work, selected bulk-sampling/drilling; and;

- (ii) **Calwynyardah Project:** historic data integration, mapping, ground based geophysics to assess paleo-channel location and target areas; surface geochemistry to assess pathfinders on lamproite pipes and, if warranted following surface work, selected bulk-sampling/drilling; and
- (iii) **Calwynyardah Project, Aries Extension Project, Ellendale Project and Noonkanbah Project:** advancement of applications for exploration licences, including negotiations with traditional owners and stakeholders, in respect of these Projects to proceed towards grant status in the first and second years following re-admission of the Company to the Official List.

Access to the Aries Tenement and Calwynyardah Tenement for the purposes of conducting the above activities is granted to Odessa by virtue of being the holder of those Tenements.

4.4 Dividend Policy

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

4.5 ASX Guidance Note 12 - Annexure A Disclosure

ASX Guidance Note 12 - Annexure A (**Annexure A**) sets out various disclosure requirements that an entity must satisfy prior to its securities being reinstated to trading. The Company provides the following disclosure in accordance with Annexure A, to the extent that the information has not been provided elsewhere in this Notice.

(a) **Parties and material terms of the Transaction**

Refer to Section 4.2.

(b) **Transaction Analysis**

Set out at Schedule 2 is information about the effect of the Transaction based on audited accounts of the Company and audited accounts of Odessa as at 30 June 2021.

(c) **Capital structure**

Refer to Section 4.11.

(d) **Issues in the previous 6 months**

The Company confirms that the Company has not issued any Securities in the 6 months preceding the date of this Notice.

In the 6 months preceding the date of this Notice, Odessa has issued a total of 24,540,297 fully paid ordinary shares in Odessa as follows:

- (i) 16,140,297 shares on 24 May 2021 at an issue price of \$0.0005 each to raise \$8,070;
- (ii) 1,500,000 shares on 24 May 2021 at an issue price of \$0.001 each to raise \$1,500;
- (iii) 5,400,000 shares issued on 27 July 2021 at an issue price of \$0.05 each to raise \$270,000;

- (iv) 1,000,000 shares issued to Jindalee pursuant to the Aries Tenement Sale Agreement; and
- (v) 500,000 shares issued to Volclays pursuant to the Calwynardah Sale Agreement.

Funds raised from the above issuances (where applicable) have been expended by Odessa on project acquisition costs, mineral exploration activities on the Aries Tenement and Calwynardah Tenement, as well as working capital (including corporate administration, legal, and accounting fees). None of the issuances above were underwritten.

(e) **Proposed issues of Securities**

Prior to re-admission, the Company will undertake the issues of Securities set out in:

- (i) Resolution 5(a) and Resolution 5(b);
- (ii) Resolution 6;
- (iii) Resolution 7(a) and (b);
- (iv) Resolution 11(a) to (c); and
- (v) Resolution 12.

Odessa does not propose to issue any securities prior to the Company's re-admission to the Official List.

(f) **No change in control**

No person will acquire control of, or voting power of 20% or more, in the Company as a result of the Transaction.

(g) **Changes to the Board**

Refer to Section 4.16.

(h) **Timetable**

Refer to Section 4.14.

(i) **Principal activities and jurisdictions**

Refer to Section 4.3. The Company's activities following Completion will be conducted in Australia.

(j) **Odessa business model and dependencies and risks**

Refer to Section 5.

(k) **Odessa Accounts**

Refer to Schedule 3 for Odessa's audited accounts for the year ended 30 June 2021.

(l) **Regulatory Approvals and Waivers**

The Company has obtained the following waivers/confirmations on the terms and conditions set out in Schedule 6:

- (i) a waiver of Listing Rule 1.1 Condition 12 to permit the Company to issue the Consideration Options, Incentive Options and Lead Manager Options;
- (ii) a waiver of Listing Rule 2.1 condition 2 to permit the Company to issue Shares at an issue price of \$0.02 pursuant to the Public Offer; and
- (iii) a waiver of Listing Rule 10.13.5 to permit the Notice not to state that:

- (A) up to 3,500,000 Shares to be issued pursuant to the Public Offer to the Related Party Participants (or their nominees); and
- (B) 22,500,000 Incentive Options to be issued to the Related Parties (or their nominees),

will be issued no later than one month after the date of the Meeting.

The Company must obtain Shareholder approval for the Transaction Resolutions. No further regulatory approvals are required.

(m) **Appropriate Enquiries**

The Company has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses and prospects of Odessa to be satisfied that the Transaction is in the interests of the Company and its security holders.

As part of its enquiries, as at the date of this Notice, the Company has almost completed legal and financial due diligence of Odessa's operations. The Company notes that the Terms Sheet contains a condition precedent that the Company completes due diligence to its satisfaction. The Company has not yet satisfied or waived this condition precedent, but intends to complete due diligence prior to lodging the Prospectus and seeking reinstatement of its Shares to official quotation.

The Directors confirm that this Notice includes all material and accessible information available to the Directors as at the date of this Notice.

(n) **Reinstatement on ASX**

Refer to Section 4.6.

(o) **ASX takes no responsibility**

ASX takes no responsibility for the contents of this Notice or the Explanatory Memorandum.

(p) **Listing Rule 3.1**

The Directors confirm that the Company is in compliance with its continuous disclosure obligations under Listing Rule 3.1.

4.6 Reinstatement on ASX

As the Company is currently proposing to make a significant change in the nature and scale of the Company's activities through the acquisition of Odessa, the Company must re-comply with the admission and quotation requirements set out in Chapters 1 and 2 of the Listing Rules prior to its securities recommencing quotation on ASX.

Pursuant to Listing Rules 11.1.2 and 11.1.3, the change in the nature and scale of the Company's activities requires the approval of Shareholders and the Company to re-comply with the admission and quotation requirements set out in Chapters 1 and 2 of the Listing Rules.

The Company's Shares have been suspended from trading on ASX since 26 July 2021 and will not be reinstated unless each Transaction Resolution is passed by Shareholders (see Section 4.2(b) above for further details) and ASX is satisfied the Company has met the requirements of Chapters 1 and 2 of the Listing Rules.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and

- (b) the Company must satisfy the "assets test" as set out in Listing Rule 1.3.

It is expected that the conduct of the Public Offer (for which Shareholder approval is sought pursuant to Resolution 6) will enable the Company to satisfy the above requirements.

In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Public Offer. In this regard, the Company notes that:

- (a) ASX has an absolute discretion in deciding whether or not to re-admit the Company to the Official List and to quote its securities and therefore the Transaction may not proceed if ASX exercises that discretion to not re-admit the Company; and
- (b) investors should take account of these uncertainties in deciding whether or not to buy or sell the Company's securities.

The Company has sought in-principle advice from ASX in which ASX has set out, on an in-principle basis, that it has not identified any reasons to date, to exercise its discretion to prevent the Company from being re-admitted to the Official List. Investors are cautioned however, that such advice is not binding and cannot be relied upon to prevent ASX from exercising its discretion as it sees fit.

4.7 Material contracts and arrangements

The Directors consider that certain contracts entered into by the Company and Odessa are material to the Company and Merged Group or are of such a nature that an investor may wish to have particulars of them when assessing whether to approve the Transaction or apply for Shares under the Public Offer. The provisions of such material contracts and arrangements are summarised in this Section.

(a) **Odessa material contracts and arrangements**

(i) **Aries Tenement Sale Agreement**

Odessa and Jindalee are parties to the asset sale agreement dated 25 May 2021 between Jindalee, Odessa and OD3 Aries (a wholly owned subsidiary of Odessa) (**Aries Tenement Sale Agreement**), under which Odessa has acquired a 90% registered and beneficial interest in the Aries Tenement.

Odessa has issued 1,000,000 ordinary shares to Jindalee in consideration for the acquisition of the Aries Project pursuant to the Aries Tenement Sale Agreement.

Under the Aries Tenement Sale Agreement, Odessa and Jindalee have established an unincorporated joint venture for the purposes of exploring and assessing the feasibility of developing a commercial diamond mining operation on the Aries Tenement and Aries Extension Tenement (**Aries Assets**). The parties respective joint venture interests as at the date of this Notice are:

- (A) OD3 Aries has a 90% interest in the Aries Assets; and
- (B) Jindalee has a 10% interest in the Aries Assets.

Odessa must sole fund all joint venture costs and free-carry Jindalee's joint venture interest until the earlier of:

- (A) completion of a pre-feasibility study that shows that the development of a commercial diamond mining operation is commercially, environmentally and geophysically feasible on any part of the area comprising the Aries Assets; or

- (B) a decision of the management committee of the joint venture to commence a commercial diamond mining operation on any part of the Aries Assets where either:
 - (1) no pre-feasibility study or feasibility study is conducted; or
 - (2) a pre-feasibility study or feasibility study is conducted, however such study is inconclusive as to whether development is commercially, environmentally and geophysically feasible on any part of the area comprising the Aries Assets.

Where the management committee decides to commence a commercial diamond mining operation in circumstances where no study into the feasibility of the mining operation is conducted or such study is inconclusive:

- (A) Jindalee and Odessa must use their best endeavours to negotiate and execute an agreement whereby Jindalee will be granted a 2% gross overriding royalty in respect of any diamond product extracted and sold from the area comprising the Aries Assets; and
- (B) Jindalee must transfer its interest in the Aries Assets to Odessa.

If Odessa has not been admitted to the official list of ASX by the date that is 18 months after 25 May 2021, Jindalee will be granted an option to acquire Odessa's interest in the Aries Assets for a period of 30 days for a total payment of \$25,000.

The Aries Tenement Sale Agreement contains additional terms considered standard for an agreement of this nature.

(ii) **Licence and Tenement Sale Agreement**

OD3 Aries (a wholly owned subsidiary of Odessa) and Celsius are parties to the licence and tenement sale agreement dated 27 July 2021 (**Licence and Tenement Sale Agreement**) under which Celsius has agreed to sell to OD3 Aries a 100% legal and beneficial interest in the Aries Extension Tenement for total consideration of \$50,000.

Completion of the sale and purchase of the Aries Extension Tenement is conditional on Celsius obtaining all necessary approvals or consents required under the Mining Act.

The Licence and Tenement Sale Agreement contains additional terms considered standard for an agreement of this nature.

(iii) **Calwynyardah Sale Agreement and Mineral Rights Cooperation Agreement**

In connection with Odessa's acquisition of the Calwynyardah Project under the Asset Sale Agreement dated 16 August 2021 between Odessa, OD3 Wynne and Volclays (the **Calwynyardah Sale Agreement**), OD3 Wynne has entered into the Mineral Rights and Cooperation Agreement dated 16 August 2021 between OD3 Wynne and Volclays (the **Mineral Rights Cooperation Agreement**), under which OD3 Aries has agreed to provide Volclays access to the Calwynyardah Tenement for the purposes of exploring and, subject to certain conditions, developing non-diamond bearing clay resources located on the Calwynyardah Tenement.

Odessa has issued 500,000 ordinary shares to Volclays in consideration for the acquisition of the Calwynyardah Project pursuant to the Calwynyardah Sale Agreement.

The Calwynyardah Sale Agreement and Mineral Rights Cooperation Agreement contain additional terms considered standard for agreements of this nature.

(b) **Company material contracts**

(i) **Terms Sheet and Minority Shareholder Agreements**

The Company has entered into the Terms Sheet, and will enter into the Minority Shareholder Agreements, to acquire 100% of the issued capital of Odessa. Key terms of these agreements are detailed in section 4.2(a).

(ii) **Mr Zane Lewis – Letter of Appointment**

The Company will enter into a new letter agreement with Mr Zane Lewis pursuant to which the Company will pay Mr Lewis \$65,700 per annum (inclusive of superannuation) for services provided to the Company as Non-Executive Chair. The letter agreement will commence on and from Completion and shall cease when Mr Lewis advises in writing or otherwise in accordance with the Constitution.

(iii) **Dr Darren Holden – Letter of Appointment**

The Company will enter into a letter agreement with Dr Darren Holden pursuant to which the Company will pay Dr Holden \$45,990 per annum (including superannuation) for services provided to the Company as a Non-Executive Director. The letter agreement will commence on and from Completion and shall cease when Dr Holden advises in writing or otherwise in accordance with the Constitution.

(iv) **Ms Lisa Wells – Letter of Appointment**

The Company will enter into a letter agreement with Ms Lisa Wells pursuant to which the Company will pay Ms Wells \$45,990 per annum (including superannuation) for services provided to the Company as a Non-Executive Director. The letter agreement will commence on and from Completion and shall cease when Ms Wells advises in writing or otherwise in accordance with the Constitution.

(v) **Deeds of indemnity, insurance and access**

The Company will enter into deeds of indemnity, insurance and access with each of the Proposed Directors and the Company Secretary, Mr Robbie Featherby.

Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions). The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the Board in certain circumstances.

As noted in Section 4.16(a), on Completion, Dr Catriona Wallace and Mr Phillip Coulson will resign as Directors, and accordingly, the existing deeds of indemnity, insurance and access with each of Dr Wallace and Mr Coulson will be terminated upon Completion.

(vi) **Share Purchase Agreement with BDNM Investments Pty Ltd**

The Company is a party to a binding share purchase agreement with BDNM Investments Pty Ltd (ACN 642 085 738) (**BDNM**) dated 26 August 2020 (and

amended on 27 September 2021) (**SPA**) for the sale to BDNM of all of the issued capital in Flamingo Customer Experience Inc (a company incorporated under the laws of Delaware, USA, (**Flamingo Customer Experience**). Flamingo Customer Experience holds 100% of the issued share capital of Flamingo Ventures Pty Ltd (**Flamingo Ventures**). The sale of Flamingo Customer Experience Inc. is expected to complete shortly and represents a sale of the Company's main undertaking to BDNM.

BDNM has agreed to pay the purchase price to the Company under the SPA in tranches as follows:

- (A) \$175,000 on or before 1 November 2021;
- (B) \$100,000 on or before 15 January 2022.
- (C) \$150,000 on or before 30 March 2022;
- (D) \$75,000 on or before 1 July 2022; and
- (E) \$200,000 on or before 31 December 2022,

(**Purchase Price**).

The Company provided representations and warranties considered standard for an agreement of this nature, with the maximum amount of any warranty claim (save for the specific indemnities (see below)) recoverable by BDNM against the Company limited to the Purchase Price (**Warranty Cap**), with the time for BDNM to bring a warranty claim limited to 1 year from the date of completion under the SPA (**Warranty Period**). The Company provided the following specific indemnities which are not subject to the Warranty Cap and Warranty Period:

- (A) actions against Flamingo Customer Experience or Flamingo Ventures (**Flamingo Entities**) for tax liabilities for any period prior to completion as a result of inappropriate consideration of transfer pricing requirements in relation to unsecured intercompany loans;
- (B) an action against a Flamingo Entity for the forgiveness of any intercompany debt;
- (C) an action against a Flamingo Entity involving proceedings to recover any R&D tax offset received by a Flamingo Entity prior to completion under the SPA.

The SPA otherwise contains additional terms considered standard for an agreement of this nature.

(vii) **Engagement letters with SmallCap Corporate Pty Ltd**

The Company is a party to an engagement letter with SmallCap Corporate Pty Ltd (**SmallCap**) dated 21 November 2016 (**2016 Mandate**) under which SmallCap is engaged to provide the Company with company secretarial services for a monthly fee of \$5,000 per month. The 2016 Mandate is for an indefinite term and may be terminated by either party giving the other party three months' written notice (or a shorter period in limited circumstances).

The Company is also a party to an engagement letter with SmallCap dated 25 June 2020 (**2020 Mandate**) under which SmallCap is engaged to provide bookkeeping, accounting and administration services for a monthly fee of \$5,000 per month. The 2020 Mandate is for an indefinite term and may be terminated by

either party giving the other party three months' written notice (or a shorter period in limited circumstances).

SmallCap is an entity controlled by Director, Mr Zane Lewis.

The 2016 Mandate and 2020 Mandate otherwise contain additional terms considered standard for an agreement of this nature.

4.8 Escrow arrangements

Subject to the Company's Shares being reinstated to trading on the ASX, certain Shares and Options in the Company will be classified by ASX (in its absolute discretion) as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Securities likely to be subject to escrow are all of the Consideration Shares, Consideration Options, Incentive Options and Lead Manager Options. Shares offered under the Public Offer will not be subject to any escrow restrictions.

Prior to the Company's Shares being reinstated to trading on the ASX, the Company will enter into escrow agreements with the recipients of the restricted securities or issue escrow notices in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

4.9 Public Offer

As set out in Section 4.2(a)(vi) above, one of the conditions precedent to Completion is the completion of the Minimum Subscription under the Public Offer.

The Company is seeking to raise a minimum of \$5 million (before costs) under the Public Offer and a maximum of \$6 million (before costs) through an offer of a minimum of 250,000,000 Shares and maximum of 300,000,000 Shares at an issue price of \$0.02 per Share (on a post-Consolidation basis). The Minimum Subscription under the Public Offer is \$5 million.

The Company has appointed Pursuit Capital as lead manager to the Public Offer on the terms set out in Section 4.22. The Public Offer is not underwritten.

4.10 Pro forma balance sheet

A pro forma statement of financial position of the Company as at 30 June 2021 based on the audited accounts of the Company and audited accounts of Odessa is set out in Schedule 4.

4.11 Effect on capital structure

The proposed capital structure of the Company following Completion (based on both a Minimum Subscription and Maximum Subscription) is set out below:

Shares	Min Sub	%	Max Sub	%
Existing Shares	1,185,756,703	-	1,185,756,703	-
Post-Consolidation	237,151,341	34.7	237,151,341	32.3
Consideration Shares	196,322,384	28.7	196,322,384	26.8
Public Offer ¹	250,000,000	36.6	300,000,000	40.9
Total	683,473,725	100	733,473,725	100

Notes:

- The Company is seeking to raise a minimum of \$5 million (before costs) and a maximum of \$6 million (before costs).

Options	Number of Options	%
Existing Options	17,677,491	-
Post-Consolidation ¹	3,535,498	2.5
Consideration Options ²	98,161,192	68.1
Incentive Options ³	22,500,000	15.6
Lead Manager Options ⁴	20,000,000	13.9
Total	144,196,690	100

Notes:

- Comprising:
 - 984,590 Unquoted Options exercisable at \$0.145 on or before 3 November 2021;
 - 823,073 Unquoted Options exercisable at \$0.20 on or before 22 May 2022;
 - 130,000 Unquoted Options exercisable at \$0.20 on or before 22 March 2023;
 - 797,836 Unquoted Options exercisable at \$0.04 on or before 22 February 2022;
 - 800,000 Unquoted Options exercisable at \$0.035 on or before 11 July 2022.
- Consideration Options exercisable at \$0.04 each on or before 4 years from the date of issue, to be issued to the Odessa Optionholders.
- Incentive Options exercisable at \$0.04 each on or before 4 years from the date of issue to be issued to Mr Zane Lewis and the Proposed Directors.
- Lead Manager Options exercisable at \$0.04 each on or before 4 years from the date of issue to be issued to Pursuit Capital (or its nominees).

4.12 Substantial Shareholders' voting power

As at the date of this Notice, the following Shareholders hold a relevant interest in 5% or more of the Shares on issue (on a pre-Consolidation basis):

Name	Shares (pre-Consolidation)	% Shares
PhoeniXavier Pty Ltd ¹	174,191,994	14.7
Golden Triangle Capital Pty Ltd ²	118,884,023	10.0
Coulson Brothers Pty Ltd ³	63,624,682	5.4

Based on the information known as at the date of this Notice, upon re-admission of the Company to the Official List, the following persons will have a relevant interest in 5% or more of the Shares on issue (on a post-Consolidation basis):

Name	Shares	(Min Sub) % Shares	(Max Sub) % Shares
PhoeniXavier Pty Ltd ¹	34,838,399	5.1	4.7
Seamist Enterprises Pty Ltd	34,687,720	5.1	4.7

Notes:

- PhoeniXavier Pty Ltd is an entity controlled by Director Dr Catriona Wallace.

2. Golden Triangle Capital Pty Ltd is an entity controlled by Director Mr Zane Lewis.
3. Coulson Brothers Pty Ltd is an entity controlled by Director Mr Phillip Coulson.

4.13 Proposed use of funds

The Company intends to use the funds raised under the Public Offer, together with the Company's estimated existing cash reserves post-Transaction as follows:

Minimum Subscription	Year 1 (\$)	Year 2 (\$)	Total (\$)
Exploration expenditure – Aries Project	870,000	1,470,000	2,340,000
Exploration expenditure – Calwynyardah Project	280,000	560,000	840,000
Acquisition assessment ¹	200,000	300,000	500,000
General administration fees and working capital ²	653,002	548,990	1,201,992
Estimated expenses of the Public Offer	519,978	-	519,978
Total	2,522,980	2,878,990	5,401,970

Maximum Subscription	Year 1 (\$)	Year 2 (\$)	Total (\$)
Exploration expenditure – Aries Project	885,000	1,597,500	2,482,500
Exploration expenditure – Calwynyardah Project	282,000	645,000	927,000
Acquisition assessment ¹	400,000	700,000	1,100,000
General administration fees and working capital ²	663,651	645,548	1,309,199
Estimated expenses of the Public Offer	581,076	-	581,076
Total	2,811,727	3,588,048	6,399,775

Notes:

1. The Company proposes to actively pursue further acquisitions which complement its existing focus. If and when a viable investment opportunity is identified, the Board may elect to acquire or exploit such opportunity by way of acquisition, joint venture or earn-in arrangement which may involve the payment of consideration in cash, equity or a combination of both. The Company notes that in relation to the "acquisition assessment" funds allocated in the table above:
 - (a) the Company is not currently considering other acquisitions;
 - (b) that future acquisitions are likely to be in the mineral resources sector;
 - (c) that the timing of any such transactions is not yet known, and that the Company may not expend these funds in year 1 and/or in year 2; and
 - (d) the Company may elect to reallocate some or all of these funds to exploration.
2. Working capital includes the general costs associated with the management and operation of the Company including administration expenses, rent and other associated costs. Working capital also includes surplus funds.

The above table is a statement of the Board's current intentions as at the date of this Notice. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including:

- (a) the risk factors outlined in Section 5; and
- (b) the outcome of operational activities, regulatory developments and market and general economic conditions.

In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives.

The Company notes there is no certainty to when or to what extent any Options will be exercised. Depending on the amount raised (if any) from the exercise of any Options, the Directors' current intention is to apply funds towards:

- (a) further marketing and business development;
- (b) general working capital; and
- (c) acquisition assessment.

4.14 Indicative timetable for the key business the subject of the Transaction Resolutions

Description	Indicative timing
Despatch of Notice of Annual General Meeting	Thursday, 28 October 2021
Lodgement of Prospectus with ASIC	Wednesday, 10 November 2021
Opening of the Public Offer	Thursday, 18 November 2021
Annual General Meeting held to approve the Transaction	Friday, 26 November 2021
Closing of Public Offer	Thursday, 9 December 2021
Issue of securities under the Public Offer	Tuesday, 14 December 2021
Reinstatement of securities to trading on ASX	Wednesday, 15 December 2021

This timetable is a proposed indicative timetable only and the Board reserves the right to vary the dates in accordance with the Listing Rules.

4.15 Current Board of Directors

The Board currently comprises:

- (a) Dr Catriona Wallace – Executive Director;
- (b) Mr Zane Lewis – Non-Executive Director; and
- (c) Mr Phillip Coulson – Non-Executive Director.

4.16 Proposed Board of Directors

(a) Proposed composition of Board of Directors

On Completion, Dr Catriona Wallace and Mr Phillip Coulson will resign as Directors, Mr Zane Lewis will remain as a Director (with Mr Lewis becoming Non-Executive Chair), and two nominees of Odessa (being Dr Darren Holden and Ms Lisa Wells) will be appointed as Non-Executive Directors (subject to Shareholder approval).

(b) **Profiles of Proposed Directors**

Set out below is background information in relation to the skills and experience of the Proposed Directors.

(i) **Dr Darren Holden**

Dr Holden is a geologist and experienced director with over 25 years of worldwide experience in mineral discovery and mineral exploration technologies. Dr Holden holds a BSc (Hons) from The University of Western Australia, and a PhD from The University of Notre Dame Australia. He is currently a director of Aurumin Limited (ASX:AUN) and has previously been a director of ABM Resources NL (now Prodigy Gold NL), alternate director of Todd River Resources Limited and director of Clancy Exploration Limited (now RareX Limited). Currently Dr Holden runs GeoSpy Pty Ltd, a private mineral exploration advisory business.

Dr Holden will be considered an independent director.

(ii) **Ms Lisa Wells**

Ms Wells has 26 years' experience as an exploration geologist working across various commodities including diamonds, bulk commodities, gold and base metals. Ms Wells holds a BAppSc. (Geology) from Curtin University.

Ms Wells was a Senior Geologist at United Kimberley Diamonds where the Phillips Range diamond bulk sampling program at Aries South in the Central Kimberley was undertaken. Ms Wells has significant experience with environmental and permitting approvals as well as on-ground coordination of the trial mining operation, feasibility studies and project management in a range of commodities including diamonds, gold, phosphate and base metals.

Ms Wells is currently also a non-executive director of Territory Minerals Ltd, a gold company with projects in North Queensland.

Ms Wells will be considered an independent director.

4.17 Advantages of the proposed Transaction Resolutions

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 Transaction Resolutions:

- (a) Completion will enable the Company to be reinstated to the Official List with Odessa as a wholly owned subsidiary, strong Board and management team and defined growth strategy. Shareholders will be able to share in the growth of the Company and will also be able to buy or sell Shares on ASX;
- (b) the Company will receive a cash injection via the Public Offer;
- (c) the Proposed Directors bring significant experience and knowledge to the Board; and
- (d) the Company's ability to raise additional funds may increase and may also be exposed to further debt, equity and acquisition opportunities that it did not have prior to the Transaction.

4.18 Disadvantages of the proposed Transaction Resolutions

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 Transaction Resolutions:

- (a) the Company's change in nature and entry into the sector occupied by Odessa (refer to Section 4.3) may not align with a Shareholder's investment objectives;

- (b) Shareholders will be diluted through the issue of Shares under the Transaction and Public Offer; and
- (c) there are inherent risks associated with Odessa's business as well as other risks which may not suit a Shareholders risk profile or be consistent with their objectives. A summary of key risks to be faced by the Merged Group is set out in Section 5.

4.19 Taxation

The Transaction may give rise to income tax implications for the Company and Shareholders.

Existing Shareholders are advised to seek their own taxation advice on the effect of the Transaction Resolutions on their personal taxation position and neither the Company, nor any existing Director or advisor to the Company accepts any responsibility for any individual Shareholder's taxation consequences on any aspect of the Transaction or the Transaction Resolutions.

4.20 Plans for the Company if the Transaction Resolutions are not passed or if the Transaction does not proceed

If the Transaction Resolutions are not passed, the Company will be unable to proceed with the Transaction and the Company will pursue other acquisitions across all industries with a view of re-complying with the admission and quotation requirements of Chapters 1 and 2 of the Listing Rules in order to seek reinstatement of the Company's securities.

4.21 Directors' interests in the Company

The existing Directors and Proposed Directors (and their respective related entities) have the following interests in Securities as at the date of this Notice (on a pre-Consolidation basis):

Name	Shares	% Shares	Options
Dr Catriona Wallace ¹	174,191,994	14.7	-
Mr Zane Lewis ²	118,884,023	10.0	-
Mr Phillip Coulson ³	63,624,682	5.4	-
Dr Darren Holden	Nil	-	-
Ms Lisa Wells	Nil	-	-

Notes:

- 1 173,381,184 Shares held indirectly by PhoeniXavier Pty Ltd and 810,810 Shares held by C Wallace and Associates Pty Ltd <Superwoman Adventure A/C>.
- 2 Shares held indirectly by Golden Triangle Capital Pty Ltd.
- 3 Shares held indirectly by Coulson Brothers Pty Ltd.

Set out in the table below are details of the anticipated relevant interests of the existing Directors and Proposed Directors (and their respective related entities) in the Securities of the Company upon Completion (on a post-Consolidation basis):

Name	Shares	% Shares (Min)	% Shares (Max)	Options
Dr Catriona Wallace	34,838,399	5.1	4.7	Nil
Mr Zane Lewis ¹	26,276,805	3.8	3.6	7,500,000
Mr Phillip Coulson	12,724,936	1.9	1.7	Nil
Dr Darren Holden	Nil	-	-	7,500,000
Ms Lisa Wells ²	1,000,000	0.1	0.1	7,500,000

Notes:

- 1 As at the date of this Notice, Mr Lewis intends to subscribe for up to 2,500,000 Shares under the Public Offer subject to Shareholder approval pursuant to Resolution 7(a).
- 2 As at the date of this Notice, Ms Lisa Wells intends to subscribe for up to 1,000,000 Shares under the Public Offer subject to Shareholder approval pursuant to Resolution 7(b).

4.22 Advisers

The Company has entered into a mandate with Pursuit Capital dated 13 September 2021 (**Lead Manager Mandate**) under which Pursuit Capital will act as Lead Manager to the Public Offer. In consideration for acting as Lead Manager, the Company will pay Pursuit Capital a:

- (a) management fee of 2%; and
- (b) commission of 4%,

of the total amount raised under the Public Offer.

The Company has also agreed to issue Pursuit Capital (or its nominees) 20,000,000 Options at a nominal issue price of \$0.0001 per Option, which are exercisable at \$0.04 each on or before the date that is four years from the date of issue, and otherwise on the terms and conditions set out in Schedule 5 (subject to Shareholder approval).

The Company has also agreed to pay Pursuit Capital an ongoing corporate advisory fee of \$4,000 per month for an initial period of 12 months from Completion, and reimburse Pursuit Capital for all reasonable costs and out-of-pocket expenses incidental to the Public Offer.

The total value of fees (including the value of the Lead Manager Options referred to above) that may be paid to the Lead Manager pursuant to the Lead Manager Mandate is approximately \$427,000 (assuming the Minimum Subscription is raised) and \$487,000 (assuming the Maximum Subscription is raised).

The Lead Manager Mandate contains additional provisions which are considered standard for agreements of this nature.

Other than as set out above, no other fees are payable by the Company to any person for finding, arranging or facilitating the Transaction.

5 Risks associated with the Transaction

This Section identifies the key dependencies and areas of risk associated with the Transaction, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. References to the Company in this Section 5 include the Merged Group.

5.1 Risks relating to the change in nature and/or scale of activities

(a) Re-Quotation of Shares on ASX

The 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.

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

(b) Liquidity risk

On Completion, the Company will issue certain Securities which 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 reinstatement. Details of the expected escrow restrictions are set out in Section 4.8. The application of the ASX escrow restrictions may be considered to result in a liquidity risk as the issued capital will not be able to be traded freely for a period of time and the ability of a Shareholder to dispose of his or her Shares in a timely manner may be affected.

(c) Dilution risk

As set out in Section 4.11, the Company currently has 1,185,756,703 Shares on issue (on a pre-Consolidation basis). On Completion (assuming the Maximum Subscription is raised):

- (i) the existing Shareholders will retain approximately 32.3% of the Company's issued Share capital on an undiluted basis and 27.0% of the Company's issued Share capital on a fully diluted basis;
- (ii) the Odessa Shareholders will hold approximately 26.8% of the Company's issued Share capital on an undiluted basis and 22.4% of the Company's issued Share capital on a fully diluted basis; and
- (iii) the investors under the Public Offer will hold approximately 40.9% of the Company's issued Share capital on an undiluted basis and 34.2% of the Company's issued Share capital on a fully diluted basis.

There is a risk that the interests of Shareholders will be further diluted as a result of future capital raisings that will be required in order to fund the future development of the Company.

(d) Completion, counterparty and contractual risk

As set out in Section 4.2(a), the Company has agreed to acquire 100% of the issued capital of Odessa subject to the fulfilment of certain conditions precedent. There is a risk that the conditions precedent for Completion will not be fulfilled and, in turn, that Completion will not occur.

The ability of the Company to achieve its stated objectives will depend on the performance by Odessa and the Odessa Shareholders of their obligations under the Terms Sheet and Minority Shareholder Agreements (as applicable). If Odessa, the Odessa Shareholders or any other counterparty defaults in the performance of its

obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly and without any certainty of a favourable outcome.

As set out in Section 4.7(b)(vi), the Company is a party to the SPA with BDNM for the sale of Flamingo Customer Experience. If BDNM defaults in the performance of its obligations under the SPA, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly and without any certainty of a favourable outcome. Further, the Company is exposed to the risk of potential claims in relation to warranties and indemnities given under the SPA. Any such claim if proven may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation and is not aware of any threatened litigation.

5.2 Specific risks applicable to the Merged Group

On Completion, Odessa will become a wholly owned subsidiary of the Company, and the Company's main undertaking will be the exploration and development of the Projects. Set out below is a non-exhaustive list of key risks of operating the Company's business as owner of Odessa.

(a) Limited operational history

Odessa has limited operational history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.

(b) Future capital requirements

Odessa does not have substantial operating revenue and post-Transaction, is unlikely to generate any operating revenue unless and until a Project or Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Notice.

In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Public Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

(c) **New projects and acquisitions**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements / permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from the Projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

5.3 Mining Industry Risks

(a) **Grant risk for exploration licence applications**

Various tenements held by Odessa are applications for an exploration licence which must be granted to Odessa before it may acquire 100% legal and beneficial interest in those tenements.

Odessa has entered into the Licence and Tenement Sale Agreement summarised in Section 4.7(a)(ii) to acquire a 100% interest in the Aries Extension Project, which comprises the Aries Extension Tenement. The Aries Extension Tenement is an application for an exploration licence which:

- (i) cannot be transferred by the applicant before grant; and
- (ii) if granted, cannot be transferred during the first year of term without the prior written consent of the Minister due to the operation of section 64(1) of the Mining Act.

Accordingly, the Aries Extension Tenement may not be transferred to Odessa until it is granted and the Minister consents to the transfer (if transferred during the first year of term).

Odessa is also the registered holder of 11 applications for exploration licences (refer to Section 4.3(a) for details). These applications are subject to the approval processes under the Mining Act and Native Title Act, and may be subject to objections lodged with the Department. Each application must be considered by the Warden, and ultimately recommended to the Minister for grant or refusal. The Minister may grant or refuse the application irrespective of the Warden's recommendation. Whilst the Company has no reason to believe these applications will not be granted, there is a risk that the

applications may not be granted or only granted on conditions unacceptable to the Company.

If an application is not granted, the Company will not acquire an interest in that tenement. The tenement application therefore should not be considered as an asset of the Company. Information in respect of the tenement applications is provided in this Notice to provide investors with sufficient information about each in the event such applications are granted.

(b) Tenement title

Odessa's title to the Tenements (and if applicable, once granted) will generally require the Company to continue to satisfy its expenditure or work commitments. This cannot be guaranteed.

Interests in tenements in Australia are governed by federal and state legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance, such as satisfaction of statutory payments (including land taxes and statutory duties) and compliance with work programmes and public health and safety laws. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

Further, exploration licences, once granted, are subject to periodic renewal. There is no guarantee that current or future tenement renewals will be approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority and may include additional or varied expenditure or work commitments or compulsory relinquishment of the areas 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.

The Tenements may be relinquished either in total or in part even though a viable mineral deposit may be present, in the event that:

- (i) exploration or production programmes yield negative results;
- (ii) insufficient funding is available;
- (iii) such a tenement is considered by the Company to not meet the risk/reward or other criteria of the Company;
- (iv) its relative perceived prospectivity is less than that of other tenements in the Company's portfolio, which take a higher priority; or
- (v) a variety of other reasons.

(c) Exploration and development risks

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic Mineral Resource. Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

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, unanticipated operational and technical difficulties, industrial and environmental accidents, 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 having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.

(d) **Operating risk**

Should the Company be successful in developing a Project or Projects, the operations of the Company may be affected by various factors, including 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 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.

(e) **Mineral Resource estimation risks**

At present none of the Projects host a Mineral Resource or Ore Reserve estimate. Whilst the Company intends to undertake exploration activities with the aim of defining a Mineral Resource, no assurances can be given that the exploration will result in the determination of a Mineral Resource. Even if a Mineral Resource is identified, no assurance can be provided that this can be economically extracted. The calculation and interpretation of resource estimates are by their nature expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect the Company's operations.

(f) **Payment obligations**

Pursuant to the licences constituting the Company's Projects, the Company will become subject to payment and other obligations. In particular, holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Tenements. Failure to meet these work commitments may render the Tenements subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects.

(g) **Currency price volatility**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of diamonds fluctuates and is affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system and other global or regional political, social or economic events. Future serious price declines in the market values of diamonds, and other minerals could cause the development of, and eventually the commercial

production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of diamonds are produced, a profitable market will exist for it.

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

In addition to adversely affecting any potential future reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(h) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition, including major mineral exploration and production companies. Although the Company will undertake all 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's projects and business.

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(i) **Land access risk**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Mineral rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the Tenements.

(j) **Native title risks**

There remains a risk that in the future, native title and/or registered native title claims may affect the land the subject of the Tenements or in the vicinity.

The existence of native title or native title claims over the area covered by the Tenements (or a subsequent determination of native title over the area), will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the Native Title Act.

However, if any Tenements was not validly granted in compliance with the Native Title Act, this may have an adverse impact on the Company's activities. There is nothing in the Company's enquiries to indicate that any of the Tenements were not validly granted in accordance with the Native Title Act.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

In addition, determined native title holders may seek compensation under the Native Title Act for the impacts of acts affecting native title rights and interests after the commencement of the *Racial Discrimination Act 1975* (Cth) on 31 October 1975.

The State of Western Australia has passed liability for compensation for the impact of the grant of mining tenements under the Mining Act onto mining tenement holders pursuant to section 125A of the Mining Act. Outstanding compensation liability will lie with the current holder of the Tenements at the time of any award of compensation pursuant to section 125A of the Mining Act or, in the event there is no holder at that time, the immediate past holder of the relevant Tenements.

Compensation liability may be determined by the Federal Court or settled by agreement with native title holders, including through Indigenous Land Use Agreements (which have statutory force) and common law agreements (which do not have statutory force). At this stage, the Company is not able to quantify any potential compensation payments, if any.

(k) **Third party risks**

Under Western Australian and Commonwealth legislation (as applicable), the Company may be required to obtain the consent of and/or pay compensation to the holders of third-party interests which overlay areas within the Tenements, including pastoral leases, petroleum tenure and other mining tenure in respect of exploration or mining activities on the Tenements.

Any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(l) **Environmental risk**

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. The costs of complying with these laws and regulations may impact the development of economically viable projects. 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 field 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.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(m) **Tenure and access risk**

Odessa's rights in the Tenements may be obtained by grant by regulatory authorities or be subject to contracts with third parties. Access to the Aries Tenement and Calwynyardah Tenement for the purposes of conducting Odessa's proposed activities is granted to Odessa by virtue of being the holder of those Tenements.

Any third party may terminate or rescind the relevant agreement whether lawfully or not and, accordingly, the Company may lose its rights to exclusive use of, and access to any, or all, of the Tenements. Third parties may also default on their obligations under the contracts which may lead to termination of the contracts.

Additionally, the Company may not be able to access the Tenements due to natural disasters or adverse weather conditions, political unrest, hostilities or failure to obtain the relevant approvals and consents.

(n) **Regulatory risk**

The Company will need to obtain regulatory approvals and licences to undertake its operations. There is no guarantee that such approvals and licences will be granted. In addition, various conditions may be imposed on the grants of such regulatory approvals and licences which may impact on the cost or the ability of the Company to mine the tenements.

Under the Mining Act, a tenement holder must apply for and be granted a Programme of Work (**POW**) approval before conducting any ground disturbing activities with mechanised equipment. As described in Section 4.3(g), Odessa intends to conduct non-ground disturbing activities (including ground based geophysics) and, if warranted, the Company will be required to submit a POW application to DMIRS for approval of selected drilling on the Aries Tenement and Calwynyardah Tenement. A POW approval is considered to be in the ordinary course, and the Company is not aware of any reason why a POW approval would not be granted.

In addition, the Company's capacity to undertake future mining operations may be affected by various factors such as:

- (i) potential inability to obtain necessary consents and approvals to mine;
- (ii) delay to obtaining necessary consents and approvals to mine;

- (iii) increased costs in obtaining necessary consents and approvals to mine; and
- (iv) limited ground available for mining due to access restrictions and limitations.

(o) **Reliance on key personnel**

The Company will be reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

5.4 General risks

(a) **Discretion in use of capital**

The Board and the Company's management have discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Company's financial and/or operational performance may suffer.

(b) **Investment in capital markets**

As with all stock market investments, there are risks associated with an investment in the Company. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of Shares regardless of the Company's performance.

(c) **General economic conditions**

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, commodity prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position. The Company's future possible revenues and Share prices may be affected by these factors, which are beyond the control of the Company.

(d) **Changes in government policies and legislation**

Any material adverse changes in government policies or legislation of Australia or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(e) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Notice. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(f) **COVID-19 risk**

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 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The effects of COVID-19 on the Company's Share price may also impede the Company's ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

(g) **Climate change risks**

The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. 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; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(h) **Taxation**

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

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares.

(i) **Litigation risk**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. 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 and is not aware of any threatened litigation.

6 Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at the Company's website;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

7 Resolution 1 – Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2020 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2022 annual general meeting, it may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary resolution.

Given the material personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

8 Resolution 2 – Election of Mr Phillip Coulson

8.1 General

Article 7.6(a) of the Constitution allows the Board to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 7.6(c) of the Constitution, any Director so appointed holds office until the conclusion of the next annual general meeting of the Company but is eligible for election by Shareholders at that meeting.

In addition, Listing Rule 14.4 provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

On 29 January 2021, Mr Philip Coulson was appointed as a Non-Executive Director of the Company. Accordingly, Mr Coulson resigns as a Director at the Meeting and, being eligible, seeks approval to be elected as a Director pursuant to Resolution 2.

If elected, the Board considers Mr Coulson to be an independent Director.

Resolution 2 is an ordinary resolution.

The Company notes that, subject to Shareholder approval for the Transaction Resolutions, Mr Coulson will resign as a Director on Completion (refer to Section 4.16 for further details).

8.2 Mr Phillip Coulson

Mr Coulson has over 20 years corporate advisory experience, having held senior advisory positions at Montagu Stockbrokers and Patersons Securities Limited. He has promoted and advised numerous companies in the identification and acquisition of technology and resource projects. Currently a private investor and corporate consultant, he holds debt and equity positions in a number of public and private companies.

Most recently in his Executive Director role at Vital Metals (ASX:VML), Mr Coulson oversaw the acquisition of Cheetah Resources and the transformation of Vital Metals into a Rare Earth Oxide developer.

8.3 Board recommendation

The Board (other than Mr Coulson) recommends that Shareholders vote in favour of Resolution 2.

9 Resolution 3 – Consolidation of capital

9.1 General

Resolution 3 seeks Shareholder approval for the Company to undertake a consolidation of its capital on a 5 for 1 basis (**Consolidation**).

Resolution 3 is an ordinary resolution.

Resolution 3 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

The Board recommends that Shareholders vote in favour of Resolution 3.

9.2 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.

Listing Rule 7.22.1 requires that when a listed entity undertakes a consolidation of capital, the number of its Options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

9.3 Fractional entitlements

Not all Security holders will hold that number of Securities (as the case may be) which can be evenly divided. Where a fractional entitlement occurs, the Company will round that fraction down to the nearest whole Security.

9.4 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 the Company accepts no responsibility for the individual taxation implications arising from the Consolidation.

9.5 Holding statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities. It is the responsibility of each Security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

9.6 Effect on capital structure

The approximate effect which the Consolidation will have on the Company's current capital structure is set out in the tables below. All numbers are subject to rounding.

Security	Pre-Consolidation	Post-Consolidation
Shares	1,185,756,703	237,151,341
Options	17,677,491	3,535,498

9.7 Consolidation timetable

Description	Indicative timing
Company releases Appendix 3A.3	Thursday, 28 October 2021
Consolidation Effective Date	Monday, 29 November 2021
Last day for trading in pre-Consolidation Securities	Tuesday, 30 November 2021
Trading in post-Consolidation Securities commences on a deferred settlement basis	Wednesday, 1 December 2021
Consolidation Record Date	Thursday, 2 December 2021
First day for Company to update register and send updated holding statements	Friday, 3 December 2021
Last day for Company to update register and send updated holding statements	Thursday, 9 December 2021

10 Resolution 4 – Approval to change in nature and scale of activities

10.1 General

Resolution 4 seeks the approval of Shareholders for a change in the nature and scale of the Company's activities via the Transaction.

A detailed description of the Transaction is outlined in Section 4 above.

Resolution 4 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

Resolution 4 is an ordinary Resolution.

10.2 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 and/or scale of its activities, it must provide full details to ASX as soon as practicable 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 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 company were applying for admission to the Official List.

ASX has advised that it requires the Company to:

- (a) obtain the approval of its Shareholders for the proposed change of activities pursuant to Listing Rule 11.1.2; and
- (b) re-comply with the admission and quotation requirements set out in Chapters 1 and 2 of the Listing Rules.

For this reason, the Company is seeking Shareholder approval for the Company to change the nature and scale of its activities under Listing Rule 11.1.2 and pursuant to Listing Rule 11.1.3 in order to re-comply with Chapters 1 and 2 of the Listing Rules.

Details of the assets to be acquired by the Company and the proposed changes to the structure and operations of the Company are provided throughout this Explanatory Memorandum.

If Resolution 4 is passed (and subject to Shareholders passing each of the Transaction Resolutions), the Company will be able to proceed with the Transaction as outlined in this Notice.

If Resolution 4 is not passed, the Company will not be able to proceed with the Transaction and re-comply with the admission and quotation requirements of Chapters 1 and 2 of the Listing Rules.

10.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

The Chair intends to exercise all available proxies in favour of Resolution 4.

11 Resolution 5(a) and (b) - Approval to issue Consideration Shares to Odessa Shareholders and Consideration Options to Odessa Optionholders

11.1 General

Resolution 5(a) and Resolution 5(b) seek Shareholder approval pursuant to Listing Rule 7.1 for the issue of 196,322,384 Consideration Shares to the Odessa Shareholders (or their respective nominees) and 98,161,192 Consideration Options to the Odessa Optionholders (or their respective nominees) respectively.

A detailed description of the Transaction is outlined in Section 4 above.

Resolution 5(a) and Resolution 5(b) are Transaction Resolutions and are subject to Shareholders passing each of the Transaction Resolutions.

Resolution 5(a) and Resolution 5(b) are ordinary resolutions.

11.2 Listing Rule 7.1

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

The issue of the Consideration Shares and Consideration Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 5(a) and Resolution 5(b) seeks the required Shareholder approval to the issue of the Consideration Shares and Consideration Options under and for the purposes of Listing Rule 7.1.

If Resolution 5(a) and Resolution 5(b) are passed, the Company will be able to proceed with the issue of the Consideration Shares and Consideration Options and will issue the Consideration Shares no later than 3 months after the date of the Meeting. 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 5(a) and Resolution 5(b) are not passed, the Company will not be able to proceed with the issue of the Consideration Shares or Consideration Options and the Transaction will not progress.

11.3 Specific information required by Listing Rule 7.3

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

- (a) the Odessa Shareholders (or their respective nominees) will be issued a maximum of 196,322,384 Consideration Shares for nil cash consideration and in consideration for the acquisition of 100% of the issued capital of Odessa;
- (b) the Odessa Optionholders (or their respective nominees) will be issued a maximum of 98,161,192 Consideration Options for nil cash consideration and in consideration for the cancellation of the Odessa Optionholders' options;
- (c) the Consideration Shares and Consideration Options will be issued no later than 3 months after the date of the Meeting;
- (d) the Consideration Shares and Consideration Options will be issued for nil cash consideration and therefore no funds will be raised as a result of the issue;
- (e) the Consideration Shares will be issued to the Odessa Shareholders (or their respective nominees);

- (f) the Consideration Options will be issued to the Odessa Optionholders (or their respective nominees);
- (g) the Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (h) the terms of the Consideration Options are set out in Schedule 5;
- (i) a summary of the terms of the Terms Sheet and Minority Shareholder Agreements are set out in Section 4.2(a);
- (j) further details of the Transaction are set out in section 4; and
- (k) a voting exclusion statement is included in the Notice.

11.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5(a) and Resolution 5(b).

The Chair will cast all available proxies in favour of Resolution 5(a) and Resolution 5(b).

12 Resolution 6 – Approval to issue Public Offer Shares

12.1 General

A detailed description of the Transaction is outlined in Section 4 above.

Resolution 6 seeks Shareholder approval for the issue of up to 300,000,000 Shares at an issue price of \$0.02 each to raise up to \$6 million (before costs) including the shares the subject of Resolution 7(a) to (b) (**Public Offer Shares**).

The Public Offer Shares will be issued under the Prospectus to be issued by the Company in order to re-comply with Chapters 1 and 2 of the Listing Rules.

The Company has appointed Pursuit Capital as lead manager in respect of the Public Offer on the terms summarised in Section 4.22.

Resolution 6 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

Resolution 6 is an ordinary resolution.

12.2 Listing Rule 7.1

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

The issue of the Public Offer Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval to the issue of the Public Offer Shares under and for the purposes of Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Public Offer Shares and will issue the Public Offer Shares no later than 3 months after the date of the Meeting. 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 6 is not passed, the Company will not be able to proceed with the issue of the Public Offer Shares and the Transaction will not progress.

12.3 ASX Waiver

The Company has obtained a waiver of Listing Rule 2.1 condition 2 to permit the Company to issue Shares at an issue price of \$0.02 pursuant to the Public Offer on the terms and conditions set out in Schedule 6.

12.4 Specific information required by Listing Rule 7.3

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

- (a) the maximum number of Shares to be issued as Public Offer Shares is 300,000,000;
- (b) the subscribers will be applicants under the Public Offer and, except as referred to in Resolution 7(a) to (b), will not be related parties of the Company;
- (c) the Public Offer Shares will be issued no later than 3 months after the date of the Meeting and it is intended that the Public Offer Shares will be issued on the same date, being the date of Completion;
- (d) the issue price of the Public Offer Shares will be \$0.02 per Share;
- (e) the Public Offer Shares are proposed to be issued to participants in the Public Offer who will be determined by the Lead Manager, in consultation with the Board and in accordance with the allocation policy set out in the Prospectus;
- (f) the Public Offer Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Company's intended use of the funds raised from the issue of the Public Offer Shares is set out in Section 4.13 above;
- (h) further details of the Transaction are set out in Section 4; and
- (i) a voting exclusion statement is included in the Notice.

12.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 6.

The Chair intends to exercise all available proxies in favour of Resolution 6.

13 Resolution 7(a) and (b) – Participation in Public Offer by Mr Zane Lewis and Ms Lisa Wells

13.1 General

Pursuant to Resolution 6, the Company is seeking shareholder approval for the Public Offer, being the issue of up to 300,000,000 Public Offer Shares at an issue price of \$0.02 each to raise up to a total of \$6 million (before costs).

Director Mr Zane Lewis and Proposed Director Ms Lisa Wells wish to participate in the Public Offer, subject to Shareholder approval being obtained (**Related Party Participants**).

Resolution 7(a) and (b) seek the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of up to 3,500,000 Public Offer Shares to the Related Party Participants (or their respective nominees) arising from their participation in the Public Offer (**Participation**) as follows:

- (a) up to 2,500,000 Public Offer Shares to Mr Zane Lewis; and
- (b) up to 1,000,000 Public Offer Shares to Ms Lisa Wells.

Resolution 7(a) and (b) are each a Transaction Resolution and are subject to the approval of the other Transaction Resolutions.

Resolution 7(a) and (b) are separate, ordinary resolutions.

13.2 Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, equity securities to:

- (a) a related party;
- (b) a person who is or was at any time in the 6 months before the issue or agreement to issue, a substantial (30%+) holder in the entity;
- (c) a person who is or was at any time in the 6 months before the issue or agreement to issue, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of any of the persons referred to above; or
- (e) a person who or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Under the Listing Rules, related parties include Directors of a Company and persons whom the Company reasonably believes will become a related party in the future. As such, Mr Zane Lewis (existing Director) and Ms Lisa Wells (Proposed Director) are related parties of the Company.

As the Participation involves the issue of Shares to related parties 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.

Approval pursuant to Listing Rule 7.1 is not required for the Participation as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Related Party Participants (or their nominees) will not be included in the use of the Company's 15% placement capacity pursuant to Listing Rule 7.1.

If Resolution 7(a) and (b) are passed, the Company will be able to proceed with the issue of the Public Offer Shares to the Related Party Participants pursuant to their Participation.

If Resolution 7(a) and (b) are not passed, the Related Party Participants will not be able to acquire the Public Offer Shares pursuant to their Participation and the Transaction will not progress.

13.3 ASX Waiver

The Company has obtained a waiver from Listing Rule 10.13.5 to enable the Company to issue the Public Offer Shares to the Related Party Participants (or their respective nominees) no later than 3 months after the date of the Meeting, rather than within one month after the date of the Meeting (as required by Listing Rule 10.13.5). The full terms and conditions of the waiver decision are set out in Schedule 6.

13.4 Specific 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 the Participation:

- (a) The Related Party Participants are to be issued a maximum of 3,500,000 Public Offer Shares as follows;
 - (i) up to 2,500,000 Public Offer Shares to Mr Zane Lewis; and

- (ii) up to 1,000,000 Public Offer Shares to Ms Lisa Wells;
- (b) the Related Party Participants are related parties of the Company by virtue of their position as a Director or Proposed Director and fall under the category stipulated under Listing Rule 10.11.1;
- (c) the Public Offer Shares will be issued to the Related Party Participants (or their respective nominees) no later than 3 months after the date of the Meeting;
- (d) the Public Offer Shares to be issued to the Related Party Participants will be issued at a price of \$0.02 each;
- (e) the Public Offer Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company's intended use of the funds raised from the issue of the Public Offer is set out in Section 4.13 above;
- (g) further details of the Transaction are set out in Section 4; and
- (h) a voting exclusion statement is included in the Notice.

13.5 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Securities which constitutes giving a financial benefit and the Related Party Participants are related parties of the Company by virtue of their position as a Director or Proposed Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation, because the Public Offer Shares to be issued to the Related Party Participants will be issued on the same terms as Public Offer Shares issued to other unrelated participants in the Public Offer, and as such the giving of the financial benefit is on arm's length terms.

13.6 Board recommendation

The Board (other than Mr Zane Lewis who has a material personal interest in the outcome of Resolution 7(a)) recommends that Shareholders vote in favour of each of the resolutions which forms part of Resolution 7.

The Chair will cast all available proxies in favour of Resolution 7(a) to (b).

14 Resolution 8(a) and (b) – Election of Directors

14.1 General

Article 7.4 of the Constitution allows the Company to elect a person as a Director by resolution passed in general meeting.

Pursuant to the Terms Sheet, at Completion it is proposed that Dr Darren Holden and Ms Lisa Wells will be appointed as Directors.

Resolution 8(a) to Resolution 8(b) seeks approval for the election of Dr Darren Holden and Ms Lisa Wells as Directors on and from Completion if each of the other Transaction Resolutions are approved by Shareholders.

Please refer Section 4.16(b) for information on the qualifications, skills and experience of Dr Darren Holden and Ms Lisa Wells.

The Company has conducted the appropriate checks into the backgrounds and experience of Dr Darren Holden and Ms Lisa Wells and confirms there is no information of concern arising.

Each of Dr Darren Holden and Ms Lisa Wells have confirmed they will have the sufficient time to fulfil their responsibilities as a director.

If elected, Dr Darren Holden and Ms Lisa Wells will be independent directors.

Resolution 8(a) to Resolution 8(b) are each a Transaction Resolution and subject to Shareholders passing each of the Transaction Resolutions and Completion occurring.

Resolution 8(a) to Resolution 8(b) are each a separate ordinary resolution.

14.2 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 8(a) to Resolution 8(b).

The Chair intends to exercise all available proxies in favour of Resolution 8(a) to Resolution 8(b).

15 Resolution 9 – Approval of change of Company name

15.1 General

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 9 seeks the approval of Shareholders for the Company to change its name to 'Odessa Minerals Limited' under and for the purposes of section 157(1)(a) of the Corporations Act.

Resolution 9 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

15.2 Rationale for the proposed change

The Board proposes the current change of name to 'Odessa Minerals Limited' on the basis that it more accurately reflects the proposed future operations of the Company following Completion.

In connection with the change of Company name:

- (a) the Company's ASX code is proposed to change from 'FGO' to 'ODE'; and
- (b) Odessa intends to change company type to a proprietary limited company and change its name to 'Odessa Australia Pty Ltd' to allow for the change of Company name to 'Odessa Minerals Limited'.

15.3 Effect of approval of the Resolution

The proposed name has been reserved by the Company with ASIC. If Resolution 9 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

15.4 Board recommendation

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 9.

16 Resolution 10 – Approval of Employee Securities Incentive Plan

16.1 General

The Company considers that it is desirable to adopt an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

Resolution 10 seeks Shareholders' approval for the adoption of the employee incentive scheme titled 'Odessa Minerals Limited) Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of the key terms and conditions of which is in Schedule 7. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan 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.

Resolution 10 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

Resolution 10 is an ordinary resolution.

16.2 Listing Rules 7.1 and 7.2, exception 13(b)

A summary of Listing Rule 7.1 is contained in Section 11.2 above.

Listing Rule 7.2, exception 13(b) provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to issue Equity Securities under the Plan to eligible participants without using the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

16.3 Specific information required by Listing Rule 7.2, exception 13(b)

Under and for the purposes of Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) the material terms of the Plan are summarised in Schedule 7;
- (b) the Plan is a new employee incentive scheme and has not previously been approved by Shareholders. No Equity Securities have previously been issued under the Plan;

- (c) the maximum number of Equity Securities proposed to be issued under the Plan following approval of Resolution 10 shall not exceed 73,347,372 Equity Securities, which is equal to approximately 10% of the Company's Equity Securities on issue on Completion (on a post Consolidation basis); and
- (d) a voting exclusion statement is included in the Notice.

16.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 10.

17 Resolution 11(a), (b) and (c) - Approval to issue Options to Related Parties

17.1 General

The Board has agreed, subject to obtaining Shareholder approval, to issue a total 22,500,000 unquoted Options to Mr Zane Lewis, Dr Darren Holden and Ms Lisa Wells, or their respective nominees (together, the **Related Parties**) as part of their remuneration as Directors of the Company (**Incentive Options**), as follows:

Related Party	Incentive Options
Mr Zane Lewis	7,500,000
Dr Darren Holden	7,500,000
Ms Lisa Wells	7,500,000
TOTAL	22,500,000

The Incentive Options provide an incentive component to the Related Parties' remuneration package, and align their interests with those of Shareholders. The Board considers that the number of Incentive Options to be granted to the Related Parties is commensurate with their value to the Company and is an appropriate method to provide cost effective remuneration. The Board believes it is important to offer these Incentive Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The full terms and conditions of the Incentive Options are set out in Schedule 5.

Resolution 11(a) to Resolution 11(c) are each a Transaction Resolution and are subject to the approval of the other Transaction Resolutions.

Resolution 11(a) to Resolution 11(c) are separate, ordinary resolutions.

17.2 Listing Rule 10.11

A summary of Listing Rule 10.11 is contained in Section 13.2 above.

The proposed issue of Incentive Options to the Related Parties (or their respective nominees) 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.

Resolution 11(a) to Resolution 11(c) seeks the required Shareholder approval to the proposed issues of Incentive Options under and for the purposes of Listing Rule 10.11.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Incentive Options will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 11(a) to Resolution 11(c) are passed, the Company will be able to proceed with the issue of the Incentive Options to the Related Parties (or their respective nominees) and the Related Parties will be remunerated accordingly.

If Resolution 11(a) to Resolution 11(c) is not passed, the Company will not be able to proceed with the issue of the Incentive Options to the Related Parties (or their respective nominees) and the Transaction will not progress.

17.3 ASX Waiver

The Company has obtained a waiver from:

- (a) Listing Rule 1.1 Condition 12 to permit the Company to issue the Incentive Options with an exercise price of less than \$0.20 each; and
- (b) Listing Rule 10.13.5 to enable the Company to issue the Incentive Options to the Related Parties (or their respective nominees) no later than 3 months after the date of the Meeting, rather than within one month after the date of the Meeting (as required by Listing Rule 10.13.5).

The full terms and conditions of the waiver decision are set out in Schedule 6.

17.4 Specific information required by Listing Rule 10.13

Under and for the purposes of Listing Rule 10.13, the following information is provided in relation to the proposed issue of Incentive Options:

- (a) a maximum of 22,500,000 Incentive Options will be issued to a Director and the Proposed Directors of the Company as follows:
 - (i) up to 7,500,000 options to Mr Zane Lewis;
 - (ii) up to 7,500,000 options to Dr Darren Holden; and
 - (iii) up to 7,500,000 options to Ms Lisa Wells;
- (b) the Related Parties are related parties of the Company by virtue of their position as a Director or Proposed Director and fall under the category stipulated under Listing Rule 10.11.1;
- (c) the Incentive Options will be issued on the same terms and conditions as the Consideration Options to the Odessa Optionholders, with an exercise price of \$0.04 and will expire at 5.00pm (WST) on the date that is 4 years from the date of issue, and otherwise on the terms set out in Schedule 5;
- (d) the Incentive Options will be issued for nil cash consideration as they will be issued as part of the Related Parties' remuneration package, and therefore no funds will be raised as a result of the issue. Funds raised upon any exercise of the Incentive Options are intended to be used for general working capital purposes;
- (e) the current total remuneration package for the Related Parties as at the date of this Notice is set out below:

Related Party	Remuneration (per annum)
Mr Zane Lewis	\$65,700
Dr Darren Holden ¹	\$Nil
Ms Lisa Wells ¹	\$Nil
TOTAL	\$65,700

Notes:

1. On Completion, Dr Darren Holden and Ms Lisa Wells will be appointed as Non-Executive Directors, subject to Shareholder approval pursuant to Resolution 8(a) and (b) and will each be paid 45,990 per annum (inclusive of superannuation).

- (f) the Incentive Options will be issued no later than three months after the date of the Meeting;
- (g) the Incentive Options are not being issued under any agreement; and
- (h) a voting exclusion statement is included in the Notice.

17.5 Chapter 2E of the Corporations Act

A summary of Chapter 2E is contained in Section 13.5 above.

The Board (other than Mr Zane Lewis who has a material personal interest in Resolution 11(a)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Incentive Options as the agreement to grant the Incentive Options, reached as part of the remuneration package for the Related Parties, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

17.6 Board recommendation

The Board (other than Mr Zane Lewis) recommends that Shareholders vote in favour of each of the resolutions which forms part of Resolution 11.

18 Resolution 12 – Approval to issue Lead Manager Options

18.1 General

On 13 September 2021, the Company entered into the Lead Manager Mandate with Pursuit Capital for the provision of lead manager services to the Company.

The terms of the Lead Manager Mandate are summarised in Section 4.22.

Pursuant to the Lead Manager Mandate, the Company has agreed to issue Pursuit Capital (or its nominees) 20,000,000 Options at a nominal issue price of \$0.0001 per Option, which are exercisable at \$0.04 each on or before the date that is four years from the date of issue, and otherwise on the terms and conditions set out in Schedule 5 (**Lead Manager Options**).

Resolution 12 seeks Shareholder approval for the issue of the Lead Manager Options to Pursuit Capital (or its nominees) under and for the purposes of Listing Rule 7.1.

Resolution 12 is a Transaction Resolution and is subject to Shareholders passing each of the Transaction Resolutions.

18.2 Listing Rule 7.1

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

The proposed issue of Lead Manager Options does not fit within any of these exceptions. While the proposed issue does not exceed the Company's 15% limit under Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

To this end, Resolution 12 seeks the required Shareholder approval to the issue of Lead Manager Options under and for the purposes of Listing Rule 7.1.

If Resolution 12 is passed, the issue of Lead Manager Options can proceed without using up any of the Company's 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 12 is not passed, the issue of Lead Manager Options can still proceed, but it will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue, in which case the Transaction will still proceed.

18.3 ASX Waiver

The Company has obtained a waiver from Listing Rule 1.1 Condition 12 to permit the Company to issue the Lead Manager Options with an exercise price of less than \$0.20 each. The full terms and conditions of the waiver decision are set out in Schedule 6.

18.4 Specific information required by Listing Rule 7.3

Under and for the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Lead Manager Options:

- (a) a maximum of 20,000,000 Lead Manager Options will be issued to Pursuit Capital (or its nominees), who is considered to be a Material Investor by virtue of being an advisor to the Company (or an associate of an advisor of the Company);
- (b) the Lead Manager Options will be exercisable at \$0.04 each on or before the date that is four years from the date of issue, and otherwise on the terms and conditions set out in Schedule 5;
- (c) the Lead Manager Options will be issued no later than three months after the date of the Meeting;
- (d) the Lead Manager Options will be issued for nominal cash consideration of \$0.0001 each, with the funds raised from their issue to be allocated towards working capital;
- (e) a summary of the material terms of Lead Manager Mandate is set out in Section 4.22; and
- (f) a voting exclusion statement is included in the Notice.

18.5 Board recommendation

Resolution 12 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 12 .

19 Resolution 13 and Resolution 14 – Removal and appointment of auditor

19.1 General

Under section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given to the company. Director Mr Zane Lewis has given notice of intention to remove William Buck (NSW) Pty Limited (***William Buck***) as auditor on 26 October 2021.

It should be noted under section 329 of the Corporations Act, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice of intention is given.

The Company seeks the approval to remove the auditor even though the Meeting will be held less than 2 months after the notice of intention is given.

Resolution 13 seeks the approval of Shareholders to remove William Buck as the Company's auditor under and for the purposes of section 329 of the Corporations Act. If Resolution 13 is passed, the removal of William Buck as the Company's auditor will take effect at the close of the Meeting. If Resolution 13 is not passed, William Buck will remain as the Company's auditor.

Under Section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under Section 329 of the Corporations Act, provided that a copy of the notice of nomination of the auditor has previously been sent to the proposed replacement auditor and to each person entitled to receive a notice of meeting.

If William Buck is removed under Resolution 13, the Directors propose that Hall Chadwick be appointed as the Company's auditor, effective from the close of the Meeting. The notice of nomination of Hall Chadwick as auditor of the Company is provided to Shareholders in Schedule 8 of this Notice.

Further, section 328A of the Corporations Act provides that a company must not appoint an auditor unless the auditor has first consented to act as auditor and has not withdrawn that consent before the appointment is made. Hall Chadwick is a registered company auditor, has had previous experience in conducting audits of public listed companies, and is a well-known and respected firm. Hall Chadwick has given its written consent to act as the Company's auditor pursuant to section 328A(1) of the Corporations Act, subject to Resolution 14 being approved by Shareholders at the Meeting. As at the date of this Notice, Hall Chadwick has not withdrawn that consent.

The Company does not believe that the audit quality will be diminished as a result of changing auditors. The purpose of Resolution 14 is to appoint Hall Chadwick as the Company's auditor, under and for the purposes of section 327D(2) of the Corporations Act.

Resolution 14 is conditional on Resolution 13 also being passed. Accordingly, the proposed appointment of Hall Chadwick will only occur if William Buck is removed as auditor under Resolution 13. If Resolution 14 is passed, the appointment of Hall Chadwick as the Company's auditor will take effect at the close of the Meeting.

19.2 Board recommendation

Resolution 14 is an ordinary resolution.

Resolution 14 is a special resolution and as such requires approval of at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting (by proxy, attorney or otherwise).

The Board recommends Shareholders vote in favour of each of Resolution 14 and Resolution 14.

20 Resolution 15 – Approval of 10% Placement Facility

20.1 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.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

Resolution 15 seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 20.2(e) below). The number of Equity Securities to be issued under the

10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 20.2(c) below).

If Resolution 15 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

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

Resolution 15 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

20.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

The Company is an eligible entity for these purposes as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$5.9 million, based on the closing price of Shares (\$0.005) on 23 July 2021, being the last trading date prior to the suspension of the Company's Securities on 26 July 2021.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

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

(A) plus the number of fully paid Shares issued in the 12 months:

- (1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);
- (2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the 12 month period; or

- the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- (3) under an agreement to issue securities within Rule 7.2 exception 16 where:
- the agreement was entered into before the 12 month period; or
 - the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and
- (4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;
- (B) plus the number of partly paid shares that became fully paid in the 12 months; and
- (C) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

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

(d) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(e) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or

- (iii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(f) What is the effect of Resolution 15?

The effect of Resolution 15 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

20.3 Specific information required by Listing Rule 7.3A

Under and for the purposes of Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) Final date for issue

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 20.2(e) above).

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(b) Minimum Issue price

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 20.2(d) above).

(c) Purposes of issues under 10% Placement Facility

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's assets and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) Risk of economic and voting dilution

Shareholders should note that there is a risk that:

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

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 20.2(c)) as at the date of the Notice **(Variable A)**, with:

- (iii) two examples where Variable A has increased, by 50% and 100%; and
- (iv) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.003 50% decrease in Current Market Price	\$0.005 Current Market Price	\$0.010 100% increase in Current Market Price
1,185,756,703 Shares Variable A	10% Voting Dilution	118,575,670	118,575,670	118,575,670
	Funds raised	\$296,439	\$592,878	\$1,185,757
1,778,635,055 Shares 50% increase in Variable A	10% Voting Dilution	177,863,505	177,863,505	177,863,505
	Funds raised	\$444,659	\$889,318	\$1,778,635
2,371,513,406 Shares 100% increase in Variable A	10% Voting Dilution	237,151,341	237,151,341	237,151,341
	Funds raised	\$592,878	\$1,185,757	\$2,371,513

Notes:

1. The table has been prepared on the following assumptions:
 - (a) the issue price is the current market price (\$0.005), being the closing price of the Shares on ASX on 23 July 2021, being the last day that the Company's Shares traded on the ASX before this Notice was printed;
 - (b) Variable A comprises of 1,185,756,703 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4;
 - (c) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - (d) no convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities; and
 - (e) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (ie Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities)

or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

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

(f) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 26 November 2021, however the Company did not obtain Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 30 October 2020.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

20.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 15.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

10% Placement Facility has the meaning given in Section 20.1.

10% Placement Period has the meaning given in Section 20.2(e).

\$ means Australian Dollars.

Annexure A has the meaning given in Section 4.5.

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2021.

Aries Assets has the meaning given in Section 4.7(a)(i).

Aries Extension Tenement means the application for exploration licence E80/5117.

Aries Tenement means exploration licence E80/5027.

Article means an article of the Constitution.

Aries Tenement Sale Agreement means the asset sale and purchase agreement dated 25 May 2021 between Jindalee, Odessa and OD3 Aries.

ASX means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

BDNM means BDNM Investments Pty Ltd (ACN 642 085 738).

Board means the board of Directors.

Calwynyardah Sale Agreement means the asset sale agreement dated 16 August 2021 between Odessa, OD3 Wynne and Volclays.

Calwynyardah Tenement means exploration licence E04/2364.

Celsius means Celsius Resources Limited (ACN 009 162 949).

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Company means Fargo Enterprises Limited (ACN 000 031 292).

Completion means completion of the Transaction in accordance with the Terms Sheet.

Consideration Options means the 98,161,192 Options to be issued to the Odessa Optionholders (or their respective nominees) pursuant to the Terms Sheet and the Option Cancellation Deeds (being the subject of Resolution 5(b)).

Consideration Shares means 196,322,384 Shares to be issued to the Odessa Shareholders (or their respective nominees) pursuant to the Terms Sheet and the Minority Shareholder Agreements (being the subject of Resolution 5(a)).

Consolidation means the proposed 5 for 1 consolidation of the Company's issued capital which is the subject of Resolution 3.

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

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

Department means the Western Australian Department of Mines, Industry Regulation and Safety.

Director means a director of the Company.

Director's Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Hall Chadwick means Hall Chadwick WA Audit Pty Ltd (ACN 121 222 802).

Incentive Options has the meaning given in Section 17.1.

Jindalee means Jindalee Resources Limited (ACN 064 121 133).

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

Lead Manager Options has the meaning given in Section 18.1.

Licence and Tenement Sale Agreement means the licence and tenement sale agreement dated 27 July 2021 between OD3 Aries and Celsius.

Listing Rules means the listing rules of ASX.

Major Shareholder means the following shareholders of Odessa:

- (a) Seamist Enterprises Pty Ltd (ACN 133 740 655);
- (b) Geobase Australia Pty Ltd (ACN 110 261 464) <CW Lloyd Family A/C>;
- (c) Leigh Alexander Sinclair <Holden Sinclair Family A/C>;
- (d) Milford Resources Pty Ltd (ACN 126 650 413); and
- (e) Odette Geoscience Pty Ltd (ACN 643 670 437).

Maximum Subscription or **Max Sub** means the maximum amount of \$6 million (before costs) to be raised pursuant to the Public Offer via the issue of 300,000,000 Public Offer Shares.

Meeting has the meaning given in the introductory paragraph of the Notice.

Merged Group means the Company, and its wholly owned subsidiaries, including Odessa, after Completion.

Mineral Rights Cooperation Agreement the Mineral Rights and Cooperation Agreement dated 16 August 2021 between OD3 Wynne and Volclays.

Minimum Issue Price has the meaning given in Section 20.2(d).

Minimum Subscription or **Min Sub** means the minimum amount of \$5 million (before costs) to be raised pursuant to the Public Offer via the issue of 250,000,000 Public Offer Shares.

Mining Act means the *Mining Act 1978* (WA).

Minority Shareholder means the shareholders of Odessa who are not classified as Major Shareholders.

Minority Shareholder Agreements means the share purchase agreements between the Minority Shareholders, the Company and Odessa (each a **Minority Shareholder Agreement**), under which the Minority Shareholder will agree to transfer their Odessa shares to the Company

and the Company agrees to accept the transfer of those Odessa shares and issue the proportion of Consideration Shares to them.

Native Title Act means the *Native Title Act 1993* (Cth).

Notice means this notice of Annual General Meeting.

Odessa means Odessa Minerals Limited (ACN 646 595 799).

Odessa Optionholders means the holders of options of Odessa.

Odessa Shareholders means the holders of the fully paid ordinary shares in Odessa.

OD3 Aries means OD3 Aries Pty Ltd (ACN 650 013 415).

OD3 Wynne means OD3 Wynne Pty Ltd (ACN 648 950 529).

Official List means the official list of ASX.

Option means an option to acquire a Share.

Option Cancellation Deeds means the option cancellation deeds between the Odessa Optionholders, the Company and Odessa (each an **Option Cancellation Deed**) under which the Odessa Optionholder agrees to the cancellation of their respective Odessa options and the Company agrees to issue their proportion of the Consideration Options to them.

Plan means the Company's Employee Securities Incentive Plan which is the subject of Resolution 10, a summary of which is set out in Schedule 7.

Projects mean the Aries Project (which comprises of the Aries Tenement), the Calwinyardah Project (which comprises of the Calwinyardah Tenement), the Aries Extension Project (which comprises of the Aries Extension Tenement) and the 11 applications for exploration licences held by Odessa located in the Ellendale Diamond Field, Calwinyardah Diamond Field and Noonkanbah Diamond Field in the Kimberley region of Western Australia as described in Section 4.3.

Proposed Directors means Dr Darren Holden and Ms Lisa Wells.

Prospectus means the prospectus to be issued by the Company for the issue of the Public Offer Shares, Consideration Shares, Consideration Options, Incentive Options and Lead Manager Options.

Proxy Form means the proxy form attached to the Notice.

Public Offer means the offer of the Public Offer Shares (the subject of Resolution 6) pursuant to the Prospectus.

Public Offer Shares means up to 300,000,000 Public Offer Shares to be issued pursuant to the Public Offer at an issue price of \$0.02 each to raise up to \$6 million (before costs) (the subject of Resolution 6).

Pursuit Capital or **Lead Manager** means Pursuit Capital Pty Ltd (ABN 96 136 717 283).

Related Parties means Director Mr Zane Lewis and the Proposed Directors.

Related Party Participants means Director Mr Zane Lewis, and Ms Lisa Wells.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Securities means any Equity Securities of the Company (including Shares and/or Options).

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

Shareholder means the holder of a Share.

Tenements means the tenements comprising the Projects as set out in Schedule 9.

Transaction means the acquisition by the Company of 100% of the issued capital of Odessa in accordance with the Terms Sheet.

Transaction Resolutions has the meaning given in Section 3.

Terms Sheet means the term sheet defined in Section 4.1.

Volclays means Volclays Pty Ltd (ACN 601 213 227).

WST means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Transaction Based Comparison Table

Particulars	Prior to Transaction - Position of Company as stated in latest audited, consolidated financial statements	Consolidation (5:1)	Effect of Transaction (Max)	Post Transaction Analysis - Pro forma	Percentage Change due to Transaction	Scale of Change
Total Consolidated Assets	733,501	733,501	6,076,413	6,809,914	828%	9.28
Total Equity	660,437	660,437	6,275,938	6,936,375	950%	10.50
Annual Revenue	34,289	34,289	0	34,289	0%	1.00
Annual Profit (before tax)	-844,950	-844,950	-3,408,963	-4,253,913	403%	5.03
Total No. of shares	1,185,756,703	237,151,341	446,322,384	683,473,725	188%	2.88
Total No. of options and performance rights	17,677,491	3,535,498	98,161,192	101,696,690	2776%	28.76

Schedule 3 Odessa Financial Statements

Odessa Minerals Limited and Controlled Entities

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Financial Report for the Year Ended 30 June 2021



Odessa Minerals Limited and Controlled Entities

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DIRECTORS' REPORT

Directors present their report on Odessa Minerals Limited, the company, and its controlled entities for the financial period ended 30 June 2021. The consolidated entity is referred to as "the Group".

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Darren Holden (Chair)	(appointed 14 December 2020)
Nigel Brand	(appointed 14 December 2020)
Colwin Llyod	(appointed 14 December 2020)

Directors have been in office since the start since 14 December 2020 (incorporation date) to the date of this report unless otherwise stated.

Principal Activities

During the financial period the principal continuing activities of the consolidated entity consisted of mineral exploration.

Review of Operations

The consolidated loss of the Group and the individual entity for the period amounted to \$43,877, and the loss during the period of the Company was \$40,217.

During the period the Company incorporated the following wholly owned subsidiaries:

Subsidiary	Date of incorporation
OD3 Aries Pty Ltd	7/05/2021
OD3 Cedric Pty Ltd	24/03/2021
OD3 Ellenex Pty Ltd	24/03/2021
OD3 Liverniga Pty Ltd	24/03/2021
OD3 Whiterock Pty Ltd	24/03/2021
OD3 Wynne Pty Ltd	24/03/2021

On 24 May 2021, the Company issued 16,140,297 shares at a price of \$0.0005 per share to raise \$8,070.

On 24 May 2021, the Company issued 1,500,000 shares at a price of \$0.001 per share to raise \$1,500.

On 24 May 2021, the Company issued 8,820,149 options, as 1 option for every two shares subscribed for in the separate raises completed on 24 May 2021. The Options have a strike price of \$0.20 and an expiry date of 31 July 2024.

On the 25th Of May 2021, the Company, OD3 Aries Pty Ltd, and Jindalee Resources Limited executed an Asset Sales Agreement to purchase the Aries Diamond Project. Subject to meeting the conditions precedent, the buyer (OD3 Aries Pty Ltd) will acquire 90% interest in the Aries Project (Acquisition).

In consideration for the purchase, OD3 Aries Pty Ltd is required to pay \$50,000, and the Company will issue 1,000,000 fully paid ordinary shares in the Company (Odessa Minerals Limited).

As at 30 June 2021, the conditions precedent had not been met.

Significant Changes in the State of Affairs

No significant changes in the company's or Group's state of affairs occurred during the period.

Odessa Minerals Limited and Controlled Entities

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DIRECTORS' REPORT

Events Subsequent to the End of the Reporting Period

The Company notes the following subsequent events:

- On 27 July 2021, OD3 Pty Ltd, and the Company, signed an agreement for the purchase of tenements by Celcius Resources Limited to OD3 Aries Pty Ltd. \$20,000 execution fee and \$30,000 completion fee.
- Sale of tenements by Milford Resources Pty Ltd to OD3 Cedric Pty Ltd. \$20,000 payable. Agreement is signed. Tenement was relinquished by Milford and applied for by OD3 Wynne Pty Ltd on 5th July 2021.
- On 27 July the directors approved the allotment of 5,400,000 ordinary shares at \$0.05 per share for a total raise of \$270,000. The shares are fully paid.
- On 23 August 2021 a binding term sheet was signed with Fargo Enterprises Limited to acquire 100% of the shares an options in Odessa Mineral Limited in exchange for shares in Fargo Enterprises Limited

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Dividends

No dividends were declared or recommended but not paid during the financial year.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Options

The company issued 8,820,149 options during the period. All remain unexercised as at 30 June 2021.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

The company has not paid premiums to insure directors under a Directors and Officers Insurance policy.

No indemnification has been obtained for the auditors of the company or the Group.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Odessa Minerals Limited and Controlled Entities

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DIRECTORS' REPORT

Information on Directors and Company Secretary

Darren Holden

Dr Holden is an experienced explorer with over 25 years in the industry and a discovery history in Australia, Canada, USA and Mexico. He is a founder of noted project generator Marlee Minerals Group and advisory company GeoSpy. Previously Dr Holden was VP Geoscience for Fractal Geoscience/Geoinformatics Exploration and CEO of ABM Resources. He is currently a director of Aurumin Ltd, Marlee Minerals, and an alternate director of Todd River Resources Ltd (ASX:TRT). In addition, he provides advisory services to Silver Mines Ltd (ASX:SVL), MCA Nominees, Mining Investments Australia and Lion One Ltd (TSXV:LIO). Dr Holden holds a BSc(Hons) First Class in Geology, a PhD in Science History and is a long-standing member of the AusIMM.

Dr Nigel Brand

Dr Brand is a geochemist with over 30 years experience in Western Australia mineral systems. He worked for WMC Resources for eleven years until 1999. During his time at WMC he worked throughout the Norseman-Wiluna Greenstone belt on various regional Ni & Au exploitation programs and at WMC operations at Norseman, Kambalda, Kalgoorlie, Leinster and Mt Keith. He completed his PhD in 1997 on weathering process associated with nickel sulphides. On leaving WMC, Nigel joined Anglo American for four and a half years as their geochemist in the Asian-Pacific region, including India, Philippines and Australia exploring for Zn, Ni and Cu-Au PC/IOCG deposits. In 2004, Nigel co-founded ioGeochemistry, a global independent geochemical consulting group based in Perth, Western Australia. In January 2005 Nigel established an independent geochemical consulting Geochemical Services Pty Ltd, an independent consultancy providing hands-on and applied geochemical expertise to international mineral exploration.

Colwin Lloyd

Mr Lloyd has more than 27 years' experience in mining and exploration across a broad range of commodities and geological regions. He holds a Bachelor of Science Degree majoring in Geology from Curtin University of Technology, Australia. He is the Principal Geologist and Director of Geobase Australia Pty Ltd, a company he established which provides professional geological services to the international resource industry. Col commenced his geological career as a mine geologist progressing into resource estimation and then into exploration geoscience. This background provides a practical and unique perspective on the exploration, development and mining of minerals. Through his work with Geobase Australia Pty Ltd he has gained valuable international experience in commodities including Au, Ag, Zn, Cu, U, REE, Ni, Fe, W in many varying geological environments. Whilst based in Australia, Col has worked in or been involved in projects in many countries including Australia, Ghana, Togo, Zambia, Mozambique, Tanzania, Ethiopia, Mauritania, Armenia, Portugal, Indonesia, Morocco, USA, Canada, Chile, Guyana, Brazil and Mongolia.

Company Secretary

Mr Cavanagh has a Bachelor of Commerce degree, with majors in accounting and finance, from the University of Western Australia, is a qualified Chartered Accountant and a registered tax agent. He has 14 years of industry experience and is the managing director of LCP Group Chartered Accountants where he specialises in financial, taxation and business consultancy. He has experience in the resources sector and has assisted private companies with equity raising, business strategies and dealings with ASX listed companies.

Directors' Meetings

During the period, no meetings of directors (including committees of directors) were held. The Company passed 1 circular resolution during the period, and the parent entity Odette Geoscience Pty Ltd had three board meetings at which Odessa Minerals Limited was discussed.

Odessa Minerals Limited and Controlled Entities

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DIRECTORS' REPORT

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Hall Chadwick WA Audit Pty Ltd was appointed as auditor on 14 July 2021 and remains in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Darren Holden
Director

16 September 2021
Perth

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit partner for the audit of the financial statements of Odessa Minerals Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Partner

Dated at Perth this 16th day of September 2021

Odessa Minerals Limited and Controlled Entities

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD
ENDED 30 JUNE 2021**

	Consolidated 30 June 2021 \$	Parent 30 June 2021 \$
Expenses		
Finance costs	10,000	10,000
Exploration related expenditure	5,098	5,098
Consulting and accounting	9,750	9,750
General and administration expenditure	5,774	2,114
Legal fees	13,255	13,255
Loss before income tax expense	43,877	40,217
Income tax expense	-	-
Loss after income tax expense for the year	43,877	40,217
Other comprehensive income		
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year	43,877	40,217

The accompanying notes form part of these financial statements.

Odessa Minerals Limited and Controlled Entities

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Assets			
Current assets			
Cash and cash equivalents	3	216,971	216,971
Other current assets		5,827	5,827
Total current assets		222,798	222,798
Non-current assets			
Exploration and evaluation expenditure	4	152,350	152,350
Investment in subsidiaries		-	6
Intercompany loans		-	3,654
Total non-current assets		152,350	156,010
Total assets		375,148	378,808
Liabilities			
Current liabilities			
Trade and other payables	5	97,136	97,136
Borrowings	6	104,400	104,400
Total current liabilities		201,536	201,536
Total liabilities		201,536	201,536
Net Assets		173,612	177,272
Shares to be issued	7	207,918	207,918
Issued capital	9	9,571	9,571
Accumulated losses		(43,877)	(40,217)
Total		173,612	177,272

The accompanying notes form part of these financial statements.

Odessa Minerals Limited and Controlled Entities

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Consolidated	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 14 December 2020	-	-	-
Loss for the year	-	(43,877)	(43,877)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(43,877)	(43,877)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	217,489	-	217,489
Balance at 30 June 2021	217,489	(43,877)	173,612
Parent	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 14 December 2020	-	-	-
Loss for the year	-	(40,217)	(40,217)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(40,217)	(40,217)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	217,489	-	217,489
Balance at 30 June 2021	217,489	(40,217)	177,272

The accompanying notes form part of these financial statements.

Odessa Minerals Limited and Controlled Entities

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(7,568)	(7,568)
Net cash used in operating activities	13	(7,568)	(7,568)
Cash flows from investing activities			
Payments for related to exploration and evaluation		(97,350)	(97,350)
Net cash used in investing activities		(97,350)	(97,350)
Cash flows from financing activities			
Proceeds from issue of shares		9,571	9,571
Loan provided by Odette Geoscience		104,400	104,400
Proceeds from capital raise with no shares yet issued		207,918	207,918
Net cash provided by financing activities		321,889	321,889
Net increase in cash and cash equivalents		216,971	216,971
Cash and cash equivalents on incorporation		-	-
Cash and cash equivalents at the end of the financial year		216,971	216,971

The accompanying notes form part of these financial statements.

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The consolidated financial statements and notes represent those of Odessa Minerals Limited and Controlled Entity (the Consolidated Group or Group). Odessa Minerals Limited is a company limited by shares, incorporated and domiciled in Australia.

The separate financial statements of the Parent Entity, Odessa Minerals Limited have also been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 16 September 2021 by the directors of Odessa Minerals Limited.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar unless stated otherwise.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$43,877 and had net cash outflows from operating and investing activities of \$7,568 and \$97,350 respectively for the period ended 30 June 2021. As at that date, the Company has net liabilities of \$173,612.

The ability of the Company to continue as a going concern is dependent upon the success of the fundraising under a prospectus yet to be issued. This requirement gives rise to a material uncertainty that may cast a significant doubt over the Company's ability to continue as a going concern and therefore that it will be able to realise its assets and discharge its liabilities in the normal course of business, and at the amount stated in the financial report.

The Director has prepared a cash flow forecast, which has allowances for further capital to be raised and indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of signing this financial report. The Director believes it is appropriate to prepare these accounts on a going concern basis:

- due to the binding term sheet with Fargo Enterprises Limited noted in the subsequent events.
- the proposed transaction will require the compliance with Chapters 1 and 2 of the ASX Listing Rules
- the Company plans to undertake a capital raising via the issue of a prospectus on the Australian Securities Commission;

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern

Accounting Policies

a. Principles of Consolidation

The general purpose consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (Odessa Minerals Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 12.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

b. Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or that is not a business combination and that, at the time of the transaction, affects neither the ac
- When the taxable temporary difference is associated with interests in subsidiaries, associates the reversal can be controlled and it is probable that the temporary difference will not reverse in

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

c. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

d. Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

e. Exploration and Evaluation expenditure

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

f. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

g. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

h. Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently measured at cost using the effective interest method.

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

j. Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

k. Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

l. Rounding of Amounts

The Parent Entity has applied the relief available to it under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Accordingly, certain amounts in these financial statements (where specifically indicated) have been rounded to the nearest \$1,000.

m. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates and judgements

(i) Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised

Odessa Minerals Limited and Controlled Entities

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

n. **New and Amended Accounting Policies Adopted by the Group**

Initial adoption of AASB 2020-04: *COVID-19-Related Rent Concessions*

AASB 108.28(a)–(d) AASB 2020-4: *Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions* amends AASB 16 by providing a practical expedient that permits lessees to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and, if certain conditions are met, account for those rent concessions as if they were not lease modifications.

Initial adoption of AASB 2018-6: *Amendments to Australian Accounting Standards – Definition of a Business*

AASB 2018-6 amends and narrows the definition of a business specified in AASB 3: *Business Combinations*, simplifying the determination of whether a transaction should be accounted for as a business combination or an asset acquisition. Entities may also perform a calculation and elect to treat certain acquisitions as acquisitions of assets.

The standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2: AUDITOR'S REMUNERATION

	Consolidated	Parent
	30 June 2021	30 June 2021
	\$	\$
Remuneration of the auditor is as follows:		
Auditing or reviewing the financial statements	3,000	3,000
Total auditor's remuneration	3,000	3,000

NOTE 3: CASH AND CASH EQUIVALENTS

	Consolidated	Parent
	30-Jun-21	30-Jun-21
	\$	\$
Cash at bank and in hand	216,971	216,971
Total cash and equivalents	216,971	216,971

NOTE 4: EXPLORATION AND EVALUATION

	Consolidated	Parent
	30-Jun-21	30-Jun-21
	\$	\$
Exploration and evaluation expenditure capitalised	152,350	152,350
<i>Reconciliation:</i>		
Opening Balance at incorporation	-	-
Additions	152,350	152,350
Closing balance	152,350	152,350

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 5: TRADE AND OTHER PAYABLES

	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Trade payables	92,136	92,136
Accrued expenses	5,000	5,000
	97,136	97,136

The average credit period on trade and other payables (excluding GST payable) is 1 month. No interest is payable on outstanding payables during this period.

NOTE 6: BORROWINGS

	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Loan from related entity	104,400	104,400
	104,400	104,400

Odessa received funding via a loan from Odette Geoscience Pty Ltd (Odette). Odette is a shareholder of Odessa. The loan is unsecured, there is no interest payable on the loan.

NOTE 7: FUNDS RECEIVED FOR CAPITAL NOT ISSUED

	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Funds received for shares not yet issued	207,918	207,918
	207,918	207,918

As at 30 June 2021, the Company had received subscriptions and funds of \$207,918 for fully paid ordinary shares in the Company. As at the date of this report the shares remain unissued.

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 8: INTERESTS IN SUBSIDIARIES

a. Information about Principal Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group
OD3 Cedric Pty Ltd	Australia	100%
OD3 Ellenex Pty Ltd	Australia	100%
OD3 Liverniga Pty Ltd	Australia	100%
OD3 Whiterock Pty Ltd	Australia	100%
OD3 Wynne Pty Ltd	Australia	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

b. Significant Restrictions

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

NOTE 9: ISSUED CAPITAL

	Consolidated Group 2021 \$	Parent Entity 2021 \$
17,640,298 fully paid ordinary shares	9,571	9,571
Total share capital	9,571	9,571

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Reconciliation

Share issues	Date	Number of shares issued	Price per share	\$
On incorporation	14/12/2020	1	\$1.0000	1
Shares issued to founders	24/05/2021	16,140,297	\$0.0005	8,070
Promoter share issue	24/05/2021	1,500,000	\$0.0010	1,500
		17,640,298		9,571

Ordinary shareholders participate in dividends and the proceeds on winding up of the Parent Entity in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

b. Capital management

Management manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the capital structure or the objectives, policies, processes and strategy adopted by management to manage the capital of the Group from the previous year.

NOTE 10: COMMITMENTS

	Consolidated Group 2021	Parent Entity 2021
	\$	\$
Capital expenditure commitments for:		
E 80/5027	30,000.00	-
	<u>30,000.00</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 11: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On the 25th Of May 2021, the Company, OD3 Aries Pty Ltd, and Jindalee Resources Limited executed an Asset Sales Agreement to purchase the Aries Diamond Project. Subject to meeting the conditions precedent, the buyer (OD3 Aries Pty Ltd) will acquire 90% interest in the Aries Project (Acquisition).

In consideration for the purchase, OD3 Aries Pty Ltd is required to pay \$50,000, and the Company will issue 1,000,000 fully paid ordinary shares in the Company (Odessa Minerals Limited).

As at 30 June 2021, the conditions precedent had not been met, and thus a contingent liability exists for the issue of the shares in Odessa Mineral Limited to Jindalee Resources Limited (or their nominees).

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 12: EVENTS AFTER THE REPORTING PERIOD

- On 27 July 2021, OD3 Pty Ltd, and the Company, signed an agreement for the purchase of tenements by Celcius Resources Limited to OD3 Aries Pty Ltd. \$20,000 execution fee and \$30,000 completion fee.
- Sale of tenements by Milford Resources Pty Ltd to OD3 Cedric Pty Ltd. \$20,000 payable. Agreement is signed. Tenement was relinquished by Milford and applied for by OD3 Wynne Pty Ltd on 5th July 2021.
- On 27 July the directors approved the allotment of 5,400,000 ordinary shares at \$0.05 per share for a total raise of \$270,000. The shares are fully paid.
- On 23 August 2021 a binding term sheet was signed with Fargo Enterprises Limited to acquire 100% of the shares an options in Odessa Mineral Limited in exchange for shares in Fargo Enterprises Limited

NOTE 13: CASH FLOW INFORMATION

	Consolidated 30-Jun-21 \$	Parent 30-Jun-21 \$
Loss for the period	43,877	40,217
Adjustments for change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	5,827	5,827
Decrease/(increase) in intercompany loans	-	3,660
Increase/(decrease) in trade and other payables	(37,136)	(37,136)
Increase/(decrease) in accrued expenses	(5,000)	(5,000)
	<hr/>	<hr/>
Net cash used in operating activities	<u>7,568</u>	<u>7,568</u>

Odessa Minerals Limited and Controlled Entities

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 14: RELATED PARTY TRANSACTIONS

The Group's main related parties are as follows:

a. Entities that are subject to common control outside the Group

Entities that are subject to common control outside the Group are those entities over which the Group's immediate parent or ultimate parent exercises control. These entities are deemed "sister" entities (fellow subsidiaries) of the reporting entity.

b. Controlled entities

Controlled entities are entities over which Odessa Minerals Limited has the power to govern the financial and operating policies so as to obtain benefits from their activities. As intercompany transactions and balances involving controlled entities are eliminated on consolidation, controlled entities are considered related parties only in the case of the Parent Entity's separate financial statements. A list of controlled entities is provided in Note 8.

c. Key management personnel of the Group

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Group or any of the Group's parent entities (as described in (a) above), directly or indirectly, including any director (whether executive or otherwise) of the entity, is considered key management personnel.

Transactions and outstanding balances with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (ie at arm's length) unless the terms and conditions disclosed below state otherwise. The following transactions occurred with related parties:

	Consolidated Group 2021 \$	Parent Entity 2021 \$
(i) <i>Entities exercising control over the Group</i>		
Outstanding balances:		
Loans – unsecured interest free Odette Geoscience Pty Ltd	104,400	104,400
(These loans are interest free – non-arm's length – loans made to the Parent Entity, repayable in full ("bullet payment") in July 2021.)		
(ii) <i>Entities subject to common control outside the Group</i>		
Transactions:		
Services rendered by Odette Geoscience Pty Ltd	33,760	33,760
Odette Geoscience Pty Ltd raised an invoice at 30 June 2021 to on-charge administrative and technical expenditure, this invoice is a creditor at 30 June 2021		
(iii) <i>Controlled entities</i>		
Outstanding balances:		
Loans – unsecured interest free	-	3,654
(The Parent Entity has made interest-free (non-arm's length) loans to its controlled entities, no repayment date has been set.)		

Odessa Minerals Limited and Controlled Entities

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Odessa Minerals Limited, the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the period ended on that date of the Company and Consolidated Group.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



Darren Holden (Director)

Dated this 16th day of September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODESSA MINERALS LIMITED AND CONTROLLED ENTITIES

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Odessa Minerals Limited and Controlled Entities ("the Company"), and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss of \$43,877 during the year ended 30 June 2021. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Consolidated Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA

Partner

Dated at Perth this 16th day of September 2021

Schedule 4 Pro forma Balance Sheet – 30 June 2021

	Odessa	FGO	Pro-forma								
	30-Jun-21	30-Jun-21						Capital Raising (\$5m)	Capital Raising (\$6m)	Pro-forma Min	Pro-forma Max
	\$	\$	Disposal of Flamingo AI Business	Subsequent events	Odessa Consideration	Adjustments for RTO	Consideration options				
CURRENT ASSETS											
Cash and cash equivalents	216,971	649,519	175,000	-633,490				4,473,992	5,410,699	4,881,992	5,818,699
Trade and other receivables		20,103	325,000							345,103	345,103
Other current assets	5,827	6,795								12,622	12,622
Asset Held for Sale		49,434	-49,434							-	-
TOTAL CURRENT ASSETS	222,798	725,851	450,566	-633,490	-	-	-	4,473,992	5,410,699	5,239,717	6,176,424
NON-CURRENT ASSETS											
Investment in subsidiary					4,743,027	-4,743,027				-	-
Trade and other receivables			200,000			-				200,000	200,000
Exploration asset	152,350									152,350	152,350
Plant and equipment		7,650								7,650	7,650
TOTAL NON-CURRENT ASSETS	152,350	7,650	200,000	-	4,743,027	-4,743,027	-	-	-	360,000	360,000
TOTAL ASSETS	375,148	733,501	650,566	-633,490	4,743,027	-4,743,027	-	4,473,992	5,410,699	5,599,717	6,536,424
CURRENT LIABILITIES											
Trade and other payables	97,136	50,003								147,139	147,139
Borrowings	104,400									104,400	104,400
Liabilities Classified as held for sale		23,061	-23,061							-	-
TOTAL CURRENT LIABILITIES	201,536	73,064	- 23,061	-	-	-	-	-	-	251,539	251,539
TOTAL LIABILITIES	201,536	73,064	- 23,061	-	-	-	-	-	-	251,539	251,539
NET ASSETS/(DEFICIENCY)	173,612	660,437	673,627	-633,490	4,743,027	-4,743,027	-	4,473,992	5,410,699	5,348,178	6,284,885
EQUITY											
Issued capital	217,489	34,997,148			4,743,027	- 34,997,148		4,471,732	5,411,732	9,432,248	10,372,248
Reserves		259,995				-259,995	256,801	228,268	228,268	485,069	485,069
Accumulated losses	- 43,877	- 34,596,706	673,627			33,923,079				-43,877	-43,877
P&L				-633,490		-3,408,963	-256,801	-226,008	-229,301	-4,525,262	-4,528,555
TOTAL EQUITY	173,612	660,437	673,627	-633,490	4,743,027	-4,743,027	-	4,473,992	5,410,699	5,348,178	6,284,885

Schedule 5 Terms and Conditions of Consideration Options, Incentive Options and Lead Manager Options

The following terms and conditions apply to the Consideration Options, Incentive Options and Lead Manager Options:

1 Entitlement

The Options entitle the Optionholder to subscribe for one Share upon the exercise of each Option.

2 Quotation of Options

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

3 Issue Price

The Consideration Options and Incentive Options will be issued for nil consideration per Option. The Lead Manager Options will be issued for a nominal issue price of \$0.0001 each.

4 Exercise price and Expiry date

Each Option (unless otherwise specified) has an exercise price of \$0.04 (**Exercise Price**) and will expire at 5.00pm (WST) on the date that is 4 years from the date of issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

5 Notice of Exercise

The Optionholder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- (a) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
- (b) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
- (c) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

6 Timing of issue of Shares and quotation of Shares on exercise

Within five business days of the valid exercise of an Option by the Optionholder, the Company will:

- (a) issue, allocate or cause to be transferred to the Optionholder the number of Shares to which the Optionholder is entitled;
 - (b) issue a substitute Certificate for any remaining unexercised Options held by the Optionholder;
 - (c) if required and subject to paragraph 6, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
-

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

7 Restrictions on transfer of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

8 Quotation of Shares on exercise

The Company will apply for official quotation on ASX of all Shares issued upon exercise of the Options within 10 Business Days after the date of issue of those Shares.

9 Options transferrable

The Options will be transferable subject to compliance with the Corporations Act, Listing Rules and conditional on obtaining prior approval from the Board.

10 Participation in new issues

There are no participation rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give the Optionholder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11 Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will not be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

12 Adjustment for entitlement issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will not be adjusted following an entitlement offer.

13 Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholder will be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

Schedule 6 Terms and conditions of Listing Rule Waivers

Waiver Decision - Listing Rule 1.1 Condition 12

1. Based solely on the information provided, ASX Limited ('ASX') grants Fargo Enterprises Limited (the 'Company') in connection with the acquisition of 100% of the issued capital in Odessa Minerals Limited ('Odessa') (the 'Proposed Acquisition') and a proposed capital raising via a public offer at AUD\$0.02 per fully paid ordinary share to raise a minimum of \$5,000,000 and up to \$8,000,000 on a post-consolidation basis ('Capital Raising') (together the 'Proposed Transaction'), a waiver from Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to issue up to 98,161,192 options to the option holders of Odessa ('Odessa Option Holders') exercisable at \$0.04 and with an expiry date of 4 years from the date of issue (the 'Consideration Options'), 20,000,000 options to Pursuit Capital Pty Ltd (the 'Lead Manager') exercisable at \$0.04 with an expiry date of 4 years from the date of issue (the 'Lead Manager Options') and 7,500,000 options to Mr Zane Lewis, 7,500,000 options to Dr Darren Holden and 7,500,000 options to Ms Lisa Wells (a total of 22,500,000) with an exercise price of \$0.04 and expiring 4 years from the date of issue (the 'Incentive Options'), (together the 'Transaction Options') subject to the following conditions:

1.1 The exercise price of the Transaction options is not less than \$0.02;

1.2 The terms of this waiver are disclosed to the market and, along with the terms and conditions of the Consideration Options, the Lead Manager Options and the Incentive Options, are clearly disclosed in the notice of meeting pursuant to which the Company will seek approval required under Listing Rule 11.1.2 for the Proposed Transaction and in the prospectus to be issued in respect of the Capital Raising; and

1.3 The Company's shareholders approve the issue of the Transaction Options in conjunction with the approval obtained under Listing Rule 11.1.2 for the Proposed Transaction.

2. ASX has considered Listing Rule 1.1 condition 12 only and makes no statement as to the Company's compliance with other listing rules.

Waiver Decision – Listing Rule 2.1 Condition 2

1. Based solely on the information provided, ASX Limited ('ASX') grants Fargo Enterprises Limited (the 'Company') in connection with the acquisition of 100% of the issued capital in Odessa Minerals Limited ('Odessa') (the 'Proposed Acquisition') and a proposed capital raising via a public offer at AUD\$0.02 per fully paid ordinary share to raise a minimum of \$5,000,000 and up to \$8,000,000 on a post-consolidation basis ('Capital Raising') (together the 'Proposed Transaction'), a waiver from Listing Rule 2.1 condition 2 to the extent necessary to permit the Company to issue ordinary shares at an issue price of \$0.02 ('Capital Raising Shares'), subject to the following conditions:

1.1 The issue price of the Capital Raising Shares is not less than AUD\$0.02 per share;

1.2 The terms of this waiver are disclosed to the market and, along with the terms and conditions of the Capital Raising Shares, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under Listing Rule 11.1.2 for the Proposed Acquisition and in the prospectus to be issued in respect of the Capital Raising;

1.3 The Company's shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under Listing Rule 11.1.2 in respect of the Proposed Transaction; and

1.4 The Company completes a consolidation of its capital structure in conjunction with the Proposed Acquisition such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of the suspension of the Company's securities from official quotation, to achieve a market value for its securities of not less than the offer price.

2. ASX has considered Listing Rule 2.1 condition 2 only and makes no statement as to the Company's compliance with other listing rules

Waiver Decision – Listing Rule 10.13.5

1. Based solely on the information provided, ASX Limited ('ASX') grants Fargo Enterprises Limited (the 'Company') a waiver from listing rule 10.13.5 to the extent necessary to permit the Company's notice of meeting ('Notice'), seeking shareholder approval for the issue of:

1.1 7,000,000 shares to Mr Zane Lewis and Ms Lisa Wells (or their respective nominees) (the 'Related Party Shares') in connection with a proposed capital raising via a public offer at \$0.02 per fully paid ordinary shares to raise a minimum of \$5,000,000 and a maximum of \$8,000,000 ('Capital Raising'); and

1.2 A total of 22,500,000 options to be issued to Mr Zane Lewis (7,500,000), Dr Darren Holden (7,500,000), and Ms Lisa Wells (7,500,000) (the 'Incentive Options'),

not to state that the date by which the Company will issue the Related Party Shares and the Incentive Options will be no later than one month after the general meeting, on the following conditions:

1.2.1 The Notice must state that the Related Party Shares and the Incentive Options will be issued no later than three months after the date of the general meeting.

1.2.2 For any annual reporting period during which any of the Related Party Shares and the Incentive options are issued or remain to be issued, the Company's annual report must set out in detail the number of Related Party Shares and Incentive Options issued in that annual reporting period, the number of Related Party Shares and the Incentive Options that remain to be issued, and the basis on which the Related Party Shares and the Incentive Options may be issued.

1.2.3 In any half year or quarterly report for the period during which any of Related Party Shares and the Incentive Options have been issued or remain to be issued, the Company must include a summary statement of the number of Related Party Shares and the Incentive Options issued during the reporting period, and the number of Related Party Shares and the Incentive Options that remain to be issued and the basis on which the Related Party Shares and the Incentive Options may be issued.

1.2.4 The terms of the waiver are included in the Notice.

2. ASX has considered Listing Rule 10.13.5 only and makes no statement as to the Company's compliance with other Listing Rules.

Schedule 7 Summary of Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

1. **(Eligible Participant):** Eligible Participant means a person that:
 - (a) is an 'eligible participant' (as that term is defined in ASIC Class Order CO 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Purpose):** The purpose of the Plan is to:
 - (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to

have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

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

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

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

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

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank *pari passu*

in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

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

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

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
 - (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
16. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

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

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

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence

of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Schedule 8 Notice of nomination

28 October 2021

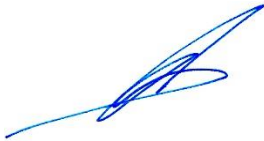
The Directors
Fargo Enterprises Limited
Unit 1, 295 Rokeby Road
Subiaco WA 6008

Dear Sirs

Notice of Nomination of Auditor under section 328B(1) of the *Corporations Act 2001* (Cth)

For the purposes of section 328B(1) of the *Corporations Act 2001* (Cth), I, Zane Lewis being a member of Fargo Enterprises Limited (ACN 000 031 292) (**Company**), hereby nominate Hall Chadwick of Level 11, 77 St Georges Terrace, Perth, WA 6000 for appointment as auditor of the Company at the Company's general meeting.

Yours faithfully



Zane Lewis

Schedule 9 Tenement list

Tenement	Project Area	Status	Holder	Date	BI	Area km ²
E 04/2364	Calwynyardah	Granted	OD3 Wynne	20140813	12	39.2
E 80/5027	Aries	Granted	OD3 Aries (90%) and Jindalee (10%)	20160527	30	98.6
E 04/2693	Liveringa (Calwynardah)	Application	Odessa	20210113	20	65.3
E 04/2694	Mt Cedric (Noonkanbah)	Application	Odessa	20210113	45	146.7
E 04/2695	Mt Wynne Creek (Calwynardah)	Application	Odessa	20210113	43	140.2
E 04/2696	West Ellendale (Ellendale)	Application	Odessa	20210113	15	48.9
E 04/2697	East Ellendale (Ellendale)	Application	Odessa	20210113	70	228.2
E 04/2698	North Ellendale (Ellendale)	Application	Odessa	20210113	46	150
E 04/2699	Ellendale Gap (Ellendale)	Application	Odessa	20210113	5	16.3
E 04/2704	White Rocks East (Noonkanbah)	Application	Odessa	20210219	32	104.3
E 04/2705	Mt Abbott (Calwynardah)	Application	Odessa	20210219	70	228.2
E 04/2707	White Rocks West (Noonkanbah)	Application	Odessa	20210310	16	52.2
E 04/2719	Walgidee (Noonkanbah)	Application	OD3 Wynne	20210630	12	39.1
E 80/5117	Aries Extension	Application	Celsius	20170615	200	657.1

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.00pm (WST) on Wednesday, 24 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

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

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

