



Cyclone Metals Limited

ACN: 095 047 920

## Notice of Annual General Meeting

The Annual General Meeting of Cyclone Metals Limited will be held at:

- 32 Harrogate Street, West Leederville, Western Australia 6007; and
- 9:00am (WST) on 30 November 2021.

This notice of Annual General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting. Please contact Investor Relations on + 61 9380 9555 or [ir@cyclonemetals.com](mailto:ir@cyclonemetals.com) if you wish to discuss any matter concerning the Meeting.

**Cyclone Metals Limited**  
**ACN 095 047 920**

**Notice of Annual General Meeting**

Notice is hereby given that the Annual General Meeting of the Shareholders of Cyclone Metals Limited will be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 9:00am (WST) on 30 November 2021 (**Meeting**).

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

Shareholders can vote by attending the Meeting by returning a completed Proxy Form or attending the Meeting in person. Instructions on how to complete a Proxy Form are set out in the Explanatory Statement.

Proxy Forms must be received by no later than 9:00am (WST) on 28 November 2021.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in Schedule 1 of the Explanatory Statement.

The business of the Meeting affects your shareholding, and your vote is important. This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 28 November 2021.

**AGENDA**

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**ANNUAL REPORT**

To receive and consider the financial statements of the Company and the reports of the Directors (**Directors' Report**) and Auditors for the financial year ended on 30 June 2021 (**Annual Report**).

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**RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)**

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

*"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Directors' Report for the financial year ended on 30 June 2021."*

A voting exclusion statement is set out below.

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

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**RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR WILL SCOTT**

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

*“That for the purpose of rule 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Will Scott, a Director who was appointed as an additional Director by the Board on 1 September 2021, retires at the conclusion of the Meeting, and being eligible and offering himself for re-election, is re-elected as a Director.”*

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**RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR TERRY DONNELLY**

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

*“That, for the purpose of rule 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Terry Donnelly, a Director, retires by rotation, and being eligible and offering himself for re-election, is re-elected as a Director.”*

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**RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY**

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, and otherwise on the terms and conditions in the Explanatory Statement.”*

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**RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF DECEMBER PLACEMENT SHARES AND DECEMBER PLACEMENT OPTIONS UNDER LISTING RULE 7.1**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 208,000,000 December Placement Shares and 104,000,000 December Placement Options to institutional and sophisticated investors under the Placement, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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**RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO TOM GROVE IN SATISFACTION OF DEBTS**

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

*“That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 6,000,000 Shares and 3,000,000 Options to Tom Grove or its nominee in satisfaction of debts at a deemed issue price of \$0.005 per Share, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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**RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF SEPTEMBER PLACEMENT SHARES UNDER LISTING RULE 7.1**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000,000 September Placement Shares to institutional and sophisticated investors under the Placement, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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**RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF SEPTEMBER PLACEMENT SHARES UNDER LISTING RULE 7.1A**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 45,000,000 September Placement Shares to institutional and sophisticated investors under the Placement, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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**RESOLUTION 9 - RATIFICATION OF PRIOR ISSUE OF NICKOL RIVER ACQUISITION SHARES UNDER LISTING RULE 7.1**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000,000 Nickol River Acquisition Shares on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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**RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF KAY TRINDER ACQUISITION SHARES UNDER LISTING RULE 7.1**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 11,666,667 Kay Trinder Acquisition Shares on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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## RESOLUTION 11 - DIRECTORS REMUNERATION

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

*“That, for the purposes of clause 13.7 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve the maximum total aggregate fixed sum per annum to be paid to non-executive Directors be increased from \$750,000 to \$1,000,000 in accordance with the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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## RESOLUTION 12 - APPROVAL TO ISSUE SECURITIES TO TERRY DONNELLY

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

*“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 120,000,000 Performance Rights to Mr Terry Donnelly, the non-executive chairman of the Company, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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## RESOLUTION 13 - APPROVAL TO ISSUE SECURITIES TO WILL SCOTT

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

*“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 50,000,000 Shares at a deemed issue price of \$0.005 per Share and 50,000,000 Performance Rights to Mr Will Scott, the newly appointed non-executive director of the Company, and otherwise on the terms set out in the Explanatory Statement.”*

A voting exclusion statement is set out below.

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## VOTING PROHIBITION AND EXCLUSION STATEMENTS

### Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:  (a) a member of the Key Management Personnel, details of whose remuneration

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are included in the Remuneration Report;  
or

- (b) a Closely Related Party of such a member.

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

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

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### ASX Listing Rules

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of a resolution by or on behalf of:

- (a) the below named person or class of persons excluded from voting; or
- (b) an associate of that person or those persons:

Resolution	Persons excluded from voting
Resolution 5 - Ratification of prior issue of December Placement Shares and December Placement Options	Persons who participated in the issue or is a counterparty to the agreement being approved, or any associate of those persons.
Resolution 6 - Ratification of prior issue of shares and options to Tom Grove in satisfaction of debts	Tom Grove and its associates.
Resolution 7 - Ratification of prior issue of September Placement Shares	Persons who participated in the issue or is a counterparty to the agreement being approved, or any associate of those persons.

Resolution 8 - Ratification of prior issue of September Placement Shares	Persons who participated in the issue or is a counterparty to the agreement being approved, or any associate of those persons.
Resolution 9 - Ratification of prior issue of Nickol River Acquisition Shares	D&K Corps Investments Pty Ltd and its associates.
Resolution 10 - Ratification of prior issue of Kay Trinder Acquisition Shares	Kay Trinder and its associates.
Resolution 11 - Directors remuneration	A Director of the Company.
Resolution 12 - Approval to issue Securities to Terry Donnelly	The recipient of the Securities (Mr Terry Donnelly) and any other person who will obtain a material benefit as a result of the issue of the Securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 13 - Approval to issue Securities to Will Scott	The recipient of the Securities (Mr Will Scott) and any other person who will obtain a material benefit as a result of the issue of the Securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

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

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

By order of the Board of Directors

A handwritten signature in black ink, appearing to read 'M Chapman', with a stylized flourish at the end.

Ms Melissa Chapman  
Company Secretary  
25 October 2021



# Explanatory Statement

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## 1 INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 9:00am (WST) on 30 November 2021. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

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A Proxy Form is located at the end of this Explanatory Statement.

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

Please contact Investor Relations on + 61 9380 9555 or by email at [ir@cyclonemetals.com](mailto:ir@cyclonemetals.com) if you wish to discuss any matter concerning the Meeting.

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## **2 ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

### **2.1 Voting by Proxy**

To vote by proxy, please complete and sign and return the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

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

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

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on the Resolutions.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 9:00am (WST) on 30 November 2021. Any Proxy Form received after that time will not be valid for the Meeting.

Shareholders can appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair of the Meeting must follow your instructions.

### **2.2 Voting in person**

All Shareholders are invited and encouraged to attend the Meeting.

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

### **2.3 Corporate representatives**

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting.

## **2.4 Eligibility to vote**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 28 November 2021.

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

## **2.5 Voting by Shareholders at the Meeting**

All Resolutions will be determined by a poll at the Meeting.

The Company encourages Shareholders who submit proxies to direct their proxy on how to vote on the Resolutions. As at the date of this Notice the Chairman of the Meeting intends to vote all undirected proxies in favour of each of the Resolutions.

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## **3 ANNUAL REPORT**

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

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended on 30 June 2021 which is available on the ASX platform at [www.asx.com.au](http://www.asx.com.au); and
- (b) ask questions about or make comment on the management of the Company.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (c) the conduct of the audit;
- (d) the preparation and content of the auditor's report;
- (e) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (f) the independence of the auditor in relation to the conduct of the audit.

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

- (g) the content of the auditor's report to be considered at the Meeting; and
- (h) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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## 4 RESOLUTION 1 - REMUNERATION REPORT

### 4.1 Introduction

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended on 30 June 2021.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chair will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

### 4.2 Voting consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

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

All of the directors of the company who were directors of the company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Shareholders approved the Company's Remuneration Report for financial year ended on 30 June 2020, and as a result there is no requirement to vote on a Spill Resolution if 25% or more of the votes cast vote against Resolution 1.

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## **5 RESOLUTIONS 2 AND 3 - RE-ELECTION OF DIRECTORS**

### **5.1 Introduction**

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer, and that a director appointed to fill a casual vacancy must also not hold office (without re-election) past the company's next annual general meeting.

Rule 13.2 of the Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting and rule 13.4 of the Company's Constitution requires that Directors appointed by the Board hold office only until the next annual general meeting.

### **5.2 Mr Will Scott**

Mr Will Scott was appointed by the Board on 1 September 2021 and holds office until this Meeting. Mr Will Scott offers himself for re-election.

Details of Mr Will Scott's qualifications and experience are set out in the Company's 2021 Annual Report

### **5.3 Mr Terry Donnelly**

Mr Terry Donnelly was last elected at the Company's annual general meeting on 30 November 2020. In accordance with rule 13.2 of the Company's Constitution, Mr Terry Donnelly retires by rotation from office at this Meeting and offers himself for re-election.

Details of Mr Terry Donnelly's qualifications and experience are set out in the Company's 2021 Annual Report.

### **5.4 Directors' recommendations**

The Board (in each case excluding the relevant candidate) recommends that Shareholders vote in favour of Resolutions 2 and 3.

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## 6 RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

### 6.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a Relevant Period following shareholder approval (**10% Placement Facility**).

The exact 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 6.2(a) below).

Any funds raised will be used towards exploration and development of the Company's projects, potential acquisitions and general working capital. The allocation of funds raised will depend on the timing of fund raising, the development stages of the projects and the Company's circumstances at the time.

Resolution 4 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).

### 6.2 Listing Rule 7.1A

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%.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

Resolution 4 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Resolution 4 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 4 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.

#### (a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$
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- “A” the number of fully paid ordinary shares on issue at the commencement of the Relevant Period:
- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9,16 or 17;
  - (B) plus the number of fully paid ordinary shares issued in the Relevant Period 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 commencement of the Relevant 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 Listing Rule 7.4;
  - (C) plus the number of fully paid ordinary shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - the agreement was entered into before the commencement of the Relevant Period; or
    - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
  - (D) plus the number of any other fully paid ordinary shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
  - (E) plus the number of partly paid shares that became fully paid in the Relevant Period;
  - (F) less the number of fully paid ordinary shares cancelled in the Relevant Period.
- “D” is 10%.
- “E” is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As the date of this Notice, the Company has:

- (i) the following securities on issue:
  - (A) 4,890,903,649 fully paid ordinary shares; and
  - (B) 123,200,000 unlisted Options
- (ii) the capacity to issue:
  - (A) 15,368,881 Equity Securities under Listing Rule 7.1; and
  - (B) 387,023,698 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be 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.

### 6.3 Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The approval will be valid for the period commencing on the date of the Meeting and expires on the first to occur of the following:
  - (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; and
  - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.
- (b) The Equity Securities will be issued for a cash consideration per security which is not less than 75% of the VWAP for the Company's Equity Securities 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.
- (c) The issue under Listing Rule 7.1A can only be made for cash consideration. The Company intends to use any funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), the development of the Company's projects and/or general working capital. Refer to section 6.1 for details on the Company's fund allocation policy.
- (d) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks 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 when Shareholders approve the 10% Placement Facility; 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, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		10% Voting Dilution		
		\$0.003 50% decrease in Issue Price	\$0.005 Issue Price	\$0.010 50% increase in Issue Price
Current Variable A (4,890,903,649 Shares)	Shares issued	489,090,365	489,090,365	489,090,365
	Funds Raised	\$1,222,726	\$2,445,452	\$4,890,904
50% increase in current Variable A (7,336,355,474 Shares)	Shares issued	733,635,547	733,635,547	733,635,547
	Funds Raised	\$1,834,089	\$3,668,178	\$7,336,355
100% increase in current Variable A (9,781,807,298 Shares)	Shares issued	978,180,730	978,180,730	978,180,730
	Funds Raised	\$2,445,452	\$4,890,904	\$9,781,807

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.

- (ii) No Options have been exercised before the date of the issue of the Equity Securities.
- (iii) 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%.
- (iv) 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.
- (v) The issue price is \$0.005 being the closing price of the Shares on ASX on 18 October 2021.

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.

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.

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

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
  - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
  - (ii) The effect of the issue of the Equity Securities on the control of the Company.
  - (iii) The financial situation and solvency of the Company.
  - (iv) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) A total of 45,000,000 Equity Securities were issued under Listing Rule 7.1A.2 in the 12 month period preceding the date of the Meeting and they represent 7.46% of the total number of Equity Securities on issue at the commencement of that 12 month period preceding the date of the Meeting. Details of the

issue of Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting is set out in SCHEDULE 3. There is no circumstance that the Company has agreed before the 12 month period to issue Equity securities under Listing Rule 7.1A.2 but as at the date of the Meeting not yet issued those Equity Securities.

- (g) At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, no voting exclusion statement is required for the Notice.

#### 6.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

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## 7 INTRODUCTION TO RESOLUTIONS 5 TO 10

### 7.1 Introduction

Resolutions 5 to 10 seek Shareholder ratification and approval of various securities, including a total of 570,666,667 Shares and 107,000,000 Options issued since the Company's last Shareholder meeting.

### 7.2 Effect on the capital structure of the Company and dilution

The effect of the various issues on the capital structure of the Company is as follows (assuming no other securities are issued):

	Diluted		Fully diluted	
Existing Shares on issue (excluding Shares the subject to Resolutions 5, 6, 7, 8, 9, 10, 12 and 13)	4,320,236,982	87%	4,320,236,982	83%
Existing Options on issue (excluding Options to subject to Resolution 5, 6, 7, 8, 9, 10, 12 and 13)	0	0%	16,200,000	0%
Resolutions 5 and 6	214,000,000	4%	321,000,000	6%
Resolutions 7 and 8	245,000,000	5%	245,000,000	5%
Resolution 9	100,000,000	2%	100,000,000	2%
Resolution 10	11,666,667	0%	11,666,667	0%

Resolution 12	0	0%	120,000,000	2%
Resolution 13	50,000,000	1%	100,000,000	2%
Total	4,940,903,649	100%	5,234,103,649	100%

### 7.3 Listing Rules

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

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of Equity Securities which represents 10% of the fully paid ordinary securities on issue at the commencement of that 12 month period as calculated in accordance with the formula in ASX Listing Rule 7.1A.

Where an eligible entity obtains shareholder approval of its placement capacity under ASX Listing Rule 7.1A, then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable “A” in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable “E”,

until their issues have been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issues.

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

Broadly speaking, Listing Rule 10.11 requires prior shareholder approval for the issue of equity securities to related parties (which includes directors, certain relatives and their controlled entities), except for certain issues.

Securities issues that are approved by Shareholders under Listing Rules 7.4 and 10.11 are not included in calculating an entity’s 15% capacity under Listing Rule 7.1.

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## **8 RESOLUTIONS 5 AND 6 - RATIFICATION OF SECURITIES ISSUED UNDER THE DECEMBER PLACEMENT**

### **8.1 Introduction**

On 17 December 2020, the Company announced a capital raising by way of placement of 208,000,000 Shares (**Placement Shares**) and 104,000,000 attaching Options (an exercise price of \$0.005 each and an expiry date of 18 December 2021 (**Placement Options**)) for every two Placement Share issued, to institutional and sophisticated investors at an issue price of \$0.005 per Share (**Placement**).

The Placement was undertaken without Shareholder approval, with the Placement Shares and Placement Options issued using the Company's 15% capacity under Listing Rule 7.1.

Tom Grove acted as one of a selection of brokers on the Placement and was entitled to a fee of 6% on funds raised from the Placement. Tom Grove was entitled to commission of \$30,000 on the December Placement and elected to convert this on the same terms as the Placement. This resulted in the issue of 6,000,000 Shares (**Broker Shares**) with one free attaching Options (an exercise price of \$0.005 each and an expiry date of 18 December 2021) (**Broker Options**). These Broker Shares and Broker Options were issued without Shareholder approval and using the Company's 15% capacity under Listing Rule 7.1.

A summary of the Listing Rule 7.1 and 7.4 is set out in section 7.3.

Resolutions 5 and 6 seek shareholder approval under Listing Rule 7.4 to ratify the issue of securities under the Placement and to Tom Grove.

If Resolutions 5 and 6 are passed, the issues will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 5 or Resolution 6 is not passed, the issue the subject of that Resolution will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

### **8.2 Resolution 5 - Information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of securities under the Placement:

- (a) The securities were issued to sophisticated investors who are respective clients of Tom Grove and other brokers engaged for the Placement. The investors are not related parties to the Company or otherwise a person to whom Listing Rule 10.11 applies. The recipients were identified through a bookbuild process, which involved Tom Grove and other brokers seeking expressions of interest to participate in the capital raising from non-related parties of the Company.

- (b) In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company.
- (c) The number of securities issued by the Company was 208,000,000 Placement Shares and 104,000,000 Placement Options. The Placement Shares are fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue. The Placement Options have an exercise price of \$0.005 each and an expiry date of 18 December 2018, and otherwise on terms set out in SCHEDULE 2.
- (d) The issue was made on 18 December 2020.
- (e) The Placement Shares were issued for \$0.005 each. The Placement Options were issued as attaching Options to the Placement Shares.
- (f) Funds raised from the Placement were used to repay the ATO debt and for general working capital. Funds raised from the exercise of the Placement Options will be used towards working capital of the Company.
- (g) Other than those set out in this section and SCHEDULE 2, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

### **8.3 Resolution 6 - Information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Placement Options to the Lead Manager:

- (a) The securities were issued to Tom Grove, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 6,000,000 Broker Shares and 3,000,000 Broker Options. The Broker Shares are fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue. The Broker Options have an exercise price of \$0.005 each and an expiry date of 18 December 2018, and otherwise on terms set out in SCHEDULE 2.
- (c) The issue was made on 18 December 2020.
- (d) The Broker Shares were issued at a deemed issue price of \$0.005 each. The Broker Options were issued as attaching Options to the Broker Shares.
- (e) No funds were raised from the issue as they were issued for services provided by Tom Grove as a broker of the Placement. Funds raised from the exercise

of the Placement Options will be used towards working capital of the Company.

- (f) Other than those set out in this section and SCHEDULE 2, there are no other material terms in relation to the issue.
- (g) A voting exclusion statement is included in the Notice.

#### **8.4 Directors' recommendation**

The Directors unanimously recommends that Shareholders vote in favour of Resolutions 5 and 6. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

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## **9 RESOLUTIONS 7 AND 8 - RATIFICATION OF SECURITIES ISSUED UNDER THE SEPTEMBER PLACEMENT**

### **9.1 Introduction**

On 1 September 2021, the Company announced a capital raising by way of placement of 245,000,000 Shares (**September Placement Shares**) to institutional and sophisticated investors at an issue price of \$0.005 per Share (**September Placement**). Funds raised have been applied toward the Company's proposed work program on the Nickol River Tenements, payment of the Nickol River Tenement Facilitation Fee and for general working capital

The September Placement was undertaken without Shareholder approval, with 45,000,000 of the September Placement Shares issued using the Company's 10% capacity (**September 7.1A Placement Shares**) and 200,000,000 of the September Placement Shares issued using the Company's 15% capacity under Listing Rule 7.1 (**September 7.1 Placement Shares**).

A summary of the Listing Rule 7.1 is set out in section 7.3.

Resolutions 7 and 8 seek shareholder approval under Listing Rule 7.4 to ratify the issue of securities under the September Placement.

If Resolution 7 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 7 is not passed, the issue the subject of that Resolution will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

If Resolution 8 is passed, the issues will be excluded in calculating the Company's 10% limit under Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 8 is not passed, the issues will be included in calculating the

Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval under Listing Rule 7.1A over the 12 months following the issue.

## **9.2 Resolutions 7 and 8 - Information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of securities under the September Placement:

- (a) The securities were issued to sophisticated investors who are clients of a number of brokers engaged for the September Placement. The investors are not related parties to the Company or otherwise a person to whom Listing Rule 10.11 applies. The recipients were identified through a bookbuild process, which involved the various brokers seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company.
- (c) The number of securities issued by the Company is:
  - (i) Resolution 7 - 200,000,000 September 7.1 Placement Shares.
  - (ii) Resolution 8 - 45,000,000 September 7.1A Placement Shares.
- (d) The September Placement Shares are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue.
- (e) The September Placement Shares were issued on 2 September 2021.
- (f) The Shares were issued as an issue price of \$0.005 per Share.
- (g) A total of \$1,225,000 (before expenses) was raised from the issue. The use of funds is set out in section 9.1.
- (h) Other than those set out in this section, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notice.

## **9.3 Directors' recommendation**

The Directors unanimously recommends that Shareholders vote in favour of Resolutions 7 and 8. These will restore the Company's 15% and 10% annual limit permitted by Listing Rules 7.1 and 7.1A and allow the Company to issue further securities as permitted by Listing Rules 7.1 and 7.1A without Shareholder approval.



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## 10 RESOLUTION 9 - RATIFICATION OF PRIOR ISSUE OF NICKOL RIVER ACQUISITION SHARES

### 10.1 General

On 11 October 2021, the Company issued 100,000,000 Shares (**Nickol River Consideration Shares**) in consideration for the acquisition of seven granted mining leases (M47/87, M47/127, M47/401, M47/421, M47/435, M47/455 and M47/577) and five miscellaneous licenses (L47/686, L47/687, L47/688, L47/689 and L47/565) (collectively the **Nickol River Tenements**) from D&K Corps Investments Pty Ltd (**D&K**). In addition, the Company has agreed to pay Rich Minerals Pty Ltd a \$200,000 fee for the facilitation of acquisition (**Nickol River Tenement Facilitation Fee**).

The acquisition was conditional upon the Company and D&K entering into an agreement under which D&K is granted the gravel rights, and other conditions considered customary for a transaction of this nature (these conditions having been satisfied).

A summary of the Listing Rule 7.1 is set out in section 7.3. Resolution 9 seek shareholder approval under Listing Rule 7.4 to ratify the issue of the Nickol River Consideration Shares.

If Resolution 9 is passed, the issues will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 9 is not passed, the issue the subject of that Resolution will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

### 10.2 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 9:

- (a) The securities were issued to D&K, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies;
- (b) 100,000,000 Shares were issued and the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Nickol River Consideration Shares were issued on 11 October 2021;
- (d) the Nickol River Consideration Shares were issued at a nil issue price, in consideration for the acquisition of the Nickol River Tenement.
- (e) the purpose of the issue of the Nickol River Consideration Shares was to satisfy the Company's obligation under the agreement with the vendors of the Nickol River Tenements.

- (a) Other than those set out in this section, there are no other material terms in relation to the issue.
- (b) A voting exclusion statement is included in the Notice.

### **10.3 Directors' recommendation**

The Directors unanimously recommends that Shareholders vote in favour of Resolution 9. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

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## **11 RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF KAY TRINDER ACQUISITION SHARES**

### **11.1 General**

On 14 October 2021, the Company issued 11,666,667 Shares (**Kay Trinder Consideration Shares**) in consideration for the acquisition of mining tenements P47/1524 and E47/3176 which form the central part of the Nickol River Gold Project area (**Nickol River Additional Tenements**).

A summary of the Listing Rule 7.1 is set out in section 7.3. Resolution 10 seek shareholder approval under Listing Rule 7.4 to ratify the issue of the Nichol River Consideration Shares.

If Resolution 10 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 10 is not passed, the issue the subject of that Resolution will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

### **11.2 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 10:

- (a) The securities were issued to Kay Trinder, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies;
- (b) 11,666,667 Shares were issued and the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Nichol River Consideration Shares were issued on 14 October 2021;
- (d) the Kay Trinder Consideration Shares were issued at a nil issue price, in consideration for the acquisition of Nickol River Additional Tenements.

- (e) the purpose of the issue of the Kay Trinder Consideration Shares was to satisfy the Company's obligation under the agreement with the vendors of the Nichol River Additional Tenements.
- (a) Other than those set out in this section, there are no other material terms in relation to the issue.
- (f) A voting exclusion statement is included in the Notice

### 11.3 Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 10. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval

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## 12 RESOLUTION 11 - DIRECTORS REMUNERATION

### 12.1 General

Resolution 11 seeks Shareholder approval to increase the total aggregate fee pool for Non-Executive Directors' remuneration from \$750,000 to \$1,000,000 per annum (an increase of \$250,000).

In accordance with the ASX Listing Rules and clause 13.7 of the Constitution, the Company must not increase the total aggregate fee pool for Non-Executive Directors' remuneration without the approval of Shareholders at a general meeting.

Shareholders last approved an increase to the total aggregate fee pool for Non-Executive Directors' remuneration on 16 November 2009.

The Board believes that the proposed increase will align the Non-Executive remuneration with current market standards and expectations; and enable the Company to continue to attract and retain high caliber Non-Executive Directors.

As required by ASX Listing Rule 10.17, the Company provides the following summary of all securities issued to Non-Executive Directors under ASX Listing Rule 10.11 or ASX Listing Rule 10.14 with Shareholder approval in the last 3 years:

Date of Shareholder approval	Director	Details of Securities issued
6 October 2020	Terry Donnelly	20,000,000 Shares and 120,000,000 Performance Rights
6 October 2020	Tony Sage	196,248,087 Shares <sup>1</sup>
6 October 2020	Mark Hancock	10,618,667 Shares <sup>2</sup>
6 October 2020	Tim Turner	22,000,000 Shares <sup>3</sup>

<sup>1</sup> On 16 October 2020, Mr Sage was issued with 196,248,087 shares as approved by shareholders at the general meeting held on 6 October 2020. These shares were issued to satisfy debts owing of \$294,372

<sup>2</sup> Mr Hancock resigned as Director on 4 August 2020. On 16 October 2020, Mr Hancock was issued with 10,618,667 shares as approved by shareholders at the general meeting held on 6 October 2020. These shares were issued to satisfy debts owing of \$15,928

<sup>3</sup> On 16 October 2020, Mr Turner was issued with 22,000,000 shares as approved by shareholders at the general meeting held on 6 October 2020. These shares were issued to satisfy debts owing of \$33,000

## 12.2 Directors' recommendation

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

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## 13 RESOLUTION 12 - APPROVAL TO ISSUE SECURITIES TO TERRY DONNELLY

### 13.1 Introduction

On 4 August 2020, the Company appointed Mr Terry Donnelly as a non-executive chairman of the Company. Mr Donnelly is entitled to an annual director fee of \$60,000.

On 16 October 2020, the Company issued 120,000,000 sign-on performance rights to Mr Terry Donnelly upon his appointment as Non-Executive Chairman of the Company (**Initial Performance Rights**). The Initial Performance Rights were issued following receipt of shareholder approval at the EGM held on 6 October 2020.

On 16 October 2020, the Company's securities were suspended from official quotation on the basis that ASX had determined CLE's operations are not adequate to warrant the continued quotation of securities and compliance with LR 12.1. On 3 August 2021, the Company was reinstated to trading on the ASX.

Given the Company's shares were suspended from trading, Mr Terry Donnelly did not have the opportunity to meet the milestones associated with the Initial Performance Rights prior to their lapse on 6 October 2021. As such, The Company has, subject to Shareholder approval, agreed to issue Mr Donnelly (or his nominee) a further 120,000,000 Performance Rights that may convert to up to 120,000,000 Shares as follows:

- (a) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.01 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (b) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.02 (as adjusted for any

reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;

- (c) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.05 (as adjusted for any reorganisation of capital) continuously for more than 20 trading days within 1 year of grant;
- (d) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Share exceeds \$0.10 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (e) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares If the VWAP of Shares exceeds \$0.15 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant; and
- (f) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares If the VWAP of Shares exceeds \$0.20 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant.

In essence the Performance Rights for which Shareholder approval is sought are on the same terms as the Initial Performance Rights.

The Company is currently in the exploration phase of its growth, which means that it is not generating revenues or profits, and does not anticipate doing so in the near term. As a result, the Company's sources of funding are limited and it therefore needs to closely monitor its cash reserves and mitigate cash expenditure. Accordingly, the Company considers that a more appropriate way to remunerate Mr Donnelly is through equity-based incentives, such as the Performance Rights.

The Company considers that vesting hurdles tied to its Share price are the most appropriate indicator for Mr Donnelly's performance at its current stage of growth. The short time frame for achievement of the hurdles provides extra incentives for Mr Donnelly to achieve such hurdles.

The effect of the proposed issue on the capital structure of the Company is set out in section 7.2.

### **13.2 Regulatory requirements**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision, such if the benefit is reasonable remuneration having regard to the company and related party's circumstances; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes a company's directors. Financial benefit is defined broadly and includes issuing securities. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

The proposed issue of the Performance Rights to Mr Donnelly constitutes giving a financial benefit and Mr Donnelly is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Donnelly who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the Performance Rights, reached as part of the remuneration package for Mr Donnelly, is considered reasonable remuneration in the Company and Mr Donnelly's circumstances.

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to a related party unless it obtains the approval of its shareholders.

The proposed issue to Mr Donnelly falls within Listing Rule 10.11.1 and none of the exceptions in Listing Rule 10.12 apply. Shareholder approval is therefore required under Listing Rule 10.11 for the proposed issue.

If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the securities to Mr Terry Donnelly means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 12 is passed, the Company will be able to proceed with the issues. In addition, the issues 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 12 is not passed, Mr Donnelly will not be issued the securities and the Company will need to consider other ways to remunerate Mr Donnelly. This is likely to have an adverse impact on the Company's cash position.

### **13.3 Resolution 12 - Information required by Listing Rule 10.13**

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issue of securities:

- (a) The Performance Rights will be issued to Mr Terry Donnelly, a Director, hence a related party of the Company.
- (b) By virtue of being a Director, Listing Rule 10.11.1 applies.
- (c) The number of securities to be issued are 120,000,000 Performance Rights.
- (d) The terms of the securities issued are Performance Rights, the terms of which are set out in SCHEDULE 4.

- (e) The securities will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (f) The Performance Rights will be issued for nil cash consideration as part of the remuneration package for Mr Terry Donnelly.
- (g) The securities are issued as part of Mr Terry Donnelly's remuneration package, and no funds will be raised through the issues.
- (h) The current total remuneration package of Terry Donnelly consists of:
  - (i) an annual director fee of \$60,000 (plus GST);
  - (ii) 20,000,000 Shares (issued on 16 October 2020 following receipt of shareholder approval on 6 October 2020); and
  - (iii) 120,000,000 Performance Rights (the subject of Resolution 12).
- (i) Other than those set out in this section, there are no other material terms in relation to the issues.
- (j) A voting exclusion statement is included in the Notice.

#### **13.4 Directors' recommendation**

The Directors (other than Mr Donnelly who has a personal interest in the matter) recommend that Shareholders vote in favour of Resolution 12. These will allow the Company to issue securities to remunerate Mr Donnelly while preserving the Company's cash and 15% capacity under Listing Rule 7.1.

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## **14 RESOLUTION 13 - APPROVAL TO ISSUE SECURITIES TO WILL SCOTT**

### **14.1 Introduction**

On 1 September 2021, the Company appointed Mr Will Scott as a non-executive director of the Company.

Mr Scott is entitled to an annual director fee of \$60,000. As a sign-on bonus, the Company has, subject to Shareholder approval, agreed to issue Mr Scott (or his nominee) 50,000,000 Shares and 50,000,000 Performance Rights that may convert to up to 50,000,000 Shares if the share price of the Company exceeds \$0.01 (1 cent) continuously for more than 10 trading days within 1 year of grant.

The Company is currently in the exploration phase of its growth, which means that it is not generating revenues or profits, and does not anticipate doing so in the near term. As a result, the Company's sources of funding are limited and it therefore needs to closely monitor its cash reserves and mitigate cash expenditure. Accordingly, the Company considers that a more appropriate way to remunerate Mr Scott is through equity-based incentives, such as Performance Rights.

The Company considers that vesting hurdles tied to its Share price are the most appropriate indicator for Mr Scott's performance at its current stage of growth. The short time frame for achievement of the hurdles provides extra incentives for Mr Scott to achieve such hurdles.

The effect of the proposed issue on the capital structure of the Company is set out in section 7.2.

## **14.2 Regulatory requirements**

A summary of Chapter 2E of the Corporations Act is set out in section 13.2. The proposed issue of the Shares and Performance Rights to Mr Scott constitutes giving a financial benefit and Mr Scott is a related party of the Company by virtue of being, at the relevant time a proposed Director.

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

The proposed issue to Mr Scott falls within Listing Rule 10.11.1 and none of the exceptions in Listing Rule 10.12 apply. Shareholder approval is therefore required under Listing Rule 10.11 for the proposed issue.

If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the securities to Mr Scott means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 13 is passed, the Company will be able to proceed with the issues. In addition, the issues 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 13 is not passed, Mr Scott will not be issued the securities and the Company will need to consider other ways to remunerate Mr Will Scott. This is likely to have an adverse impact on the Company's cash position.

## **14.3 Resolution 13 - Information required by Listing Rule 10.13**

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issue of securities:

- (a) The Shares and Performance Rights will be issued to Mr Scott, a Director, hence a related party of the Company.
- (b) By virtual of being a Director, Listing Rule 10.11.1 applies.
- (c) The number of securities to be issued are 50,000,000 Shares and 50,000,000 Performance Rights.



- (d) The terms of the securities issued are fully paid ordinary shares which rank equally to the existing Shares on issue and Performance Rights, the terms of which are set out in SCHEDULE 5.
- (e) The securities will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (f) The Share and the Performance Rights will be issued for nil cash consideration as part of the remuneration package for Mr Scott.
- (g) The securities are issued as part of Mr Scott's remuneration package, and no funds will be raised through the issues.
- (h) The current total remuneration package of Mr Scott consists of:
  - (i) an annual director fee of \$60,000 (plus GST); and
  - (ii) 50,000,000 Shares and 50,000,000 Performance Rights (the subject of Resolution 13).
- (i) Other than those set out in this section, there are no other material terms in relation to the issues.
- (j) A voting exclusion statement is included in the Notice.

#### **14.4 Directors' recommendation**

The Directors (other than Mr Scott who has a personal interest in the matter) recommend that Shareholders vote in favour of Resolution 13. These will allow the Company to issue securities to remunerate Mr Scott while preserving the Company's cash and 15% capacity under Listing Rule 7.1.

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## SCHEDULE 1 GLOSSARY

**\$ or A\$** means Australian dollars.

**ASX Listing Rules** means the Listing Rules of ASX.

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

**Board** means the current board of directors of the Company.

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

**Chair** means the chair of the Meeting.

**Closely Related Party of a member of the Key Management Personnel** means a spouse or child of the member; or a child of the member's spouse; or a dependent of the member or the member's spouse; or anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or a company the member controls; or a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** means Cyclone Metals Limited (ACN 095 047 920).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** has the same meaning given in the Listing Rules.

**LR 7.1A Placement** has the meaning given in section 6.

**LR 7.1A Placement Shares** has the meaning given in section 6.

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

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

**Option** means an option to be issued a Share.

**Performance Rights** means a right to be issued a share in the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Relevant Period** has the meaning given in the Listing Rule.

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

**Section** means a section of the Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**WST** means Western Australian Standard Time.

**VWAP** has the meaning given in the Listing Rule.

**September Placement Shares** has the meaning given in section 9.

**Initial Performance Rights** has the meaning given in section 13.

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## SCHEDULE 2 OPTION TERMS AND CONDITIONS

1. Entitlement

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

2. Exercise Price

The amount payable upon exercise of each Option will be \$0.005.

3. Expiry Date

Each Option will expire on 18 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

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

5. Notice of Exercise

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

6. Exercise Date

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

7. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (b) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

8. Shares issued on exercise

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

9. Reconstruction of capital

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

10. Participation in new issues

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

11. Change in exercise price

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

12. Transferability

The Options are not transferable without consent of the Board.

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**SCHEDULE 3 INFORMATION REQUIRED BY LISTING RULE 7.3A.6(B)**

Issue 1	
Date of issue:	2 September 2021
Class/Type of equity security:	45,000,000 fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	Hunter Capital Advisor Pty Ltd
Price:	\$0.005 per Share
Discount to market price (if any):	0% discount to the 15 days VWAP of the Company Shares of \$0.005 per Share immediately before the issue
Cash received	\$225,000
Use of proceed	Funds raised have been used towards the payment of the Nichol River Tenement Facilitation Fee (\$200,000) and working capital (\$25,000) of the Company.

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## SCHEDULE 4 TERRY DONNELLY PERFORMANCE RIGHTS

The Performance Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

### 1. Entitlement

Each Performance Right entitles the holder of the Performance Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the performance condition(s) set out below.

### 2. Vesting

If the Board determines, in its sole discretion, that the performance conditions for a class of Performance Rights set out below have been satisfied prior to the relevant expiry date then that class of Performance Rights will vest and be exercisable into Shares on a one for one basis.

- (a) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.01 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (b) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.02 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (c) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Shares exceeds \$0.05 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (d) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares if the VWAP of Share exceeds \$0.10 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant;
- (e) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares If the VWAP of Shares exceeds \$0.15 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant; and
- (f) 20,000,000 Performance Rights that automatically vest and convert to 20,000,000 Shares If the VWAP of Shares exceeds \$0.20 (as adjusted for any reorganisation of capital) continuously for more than 20 consecutive trading days within 1 year of grant.

### 3. Lapse/Forfeiture

If a performance condition is not satisfied by the relevant expiry date, then the relevant class of Performance Rights will automatically lapse. The Performance

Rights will be forfeited if the holder ceases to be an employee or Director of the Company before the Performance Rights have vested.

4. Vesting

Subject to clauses 3 and 6, Performance Rights will vest upon the relevant performance condition being met.

5. Shares issued on vesting

Shares issued upon vesting will rank equally in all respects with the Company's ordinary shares on issue. The Company will apply to the ASX for official quotation of the Shares after they are issued.

6. A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.

7. A Performance Right does not entitle the holder to any dividends.

8. The holder is not entitled to participate in the surplus profits or assets of the Company upon the winding up of the Company.

9. Shareholder and regulatory approvals

Notwithstanding any other provision of these terms and conditions, if vesting of Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the vesting of each Performance Right that would cause the contravention will be deferred until such time or times that the vesting would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the vesting of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the vesting of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

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) the number of Shares which must be issued on the vesting of an Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had vested before the record date for the bonus issue.

12. Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders, there will be no adjustment to these terms and conditions.



13. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

14. Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

15. Non-Transferable

Subject to the ASX Listing Rules, the Performance Rights are only transferable, assignable or able to be otherwise disposed or encumbered:

- (a) in Special Circumstances with the consent of the Board (which may be withheld in its absolute discretion); or
- (b) by force of law upon death to the holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.

Special Circumstances means:

- (a) death or total or permanent disability of the holder; or
- (b) retirement or redundancy the holder;
- (c) the holder suffering severe financial hardship;
- (d) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant offer made to and accepted by the holder; or
- (e) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant holder which circumstances may relate to the holder, a class of holder, including the holder or particular circumstances or class of circumstances applying to the holder.

16. Compliance with laws

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

17. No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

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## SCHEDULE 5 WILL SCOTT PERFORMANCE RIGHTS

The Performance Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

1. Entitlement

Each Performance Right entitles the holder of the Performance Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the performance condition(s) set out below.

2. Vesting

If the Board determines, in its sole discretion, that the performance conditions for a class of Performance Rights set out below have been satisfied prior to the relevant expiry date then that class of Performance Rights will vest and be exercisable into Shares on a one for one basis.

- (a) 50,000,000 Performance Rights that automatically vest and convert to 50,000,000 Shares if the share price exceeds \$0.01 (as adjusted for any reorganisation of capital) continuously for more than 10 consecutive trading days within 1 year of grant;

3. Lapse/Forfeiture

If a performance condition is not satisfied by the relevant expiry date, then the relevant class of Performance Rights will automatically lapse. The Performance Rights will be forfeited if the holder ceases to be an employee or Director of the Company before the Performance Rights have vested.

4. Vesting

Subject to clauses 3 and 6, Performance Rights will vest upon the relevant performance condition being met.

5. Shares issued on vesting

Shares issued upon vesting will rank equally in all respects with the Company's ordinary shares on issue. The Company will apply to the ASX for official quotation of the Shares after they are issued.

6. A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.

7. A Performance Right does not entitle the holder to any dividends.

8. The holder is not entitled to participate in the surplus profits or assets of the Company upon the winding up of the Company.

9. Shareholder and regulatory approvals

Notwithstanding any other provision of these terms and conditions, if vesting of Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the vesting of each Performance Right that would cause the contravention will be deferred until such time or times that the vesting

would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the vesting of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the vesting of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

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) the number of Shares which must be issued on the vesting of an Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had vested before the record date for the bonus issue.

12. Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders, there will be no adjustment to these terms and conditions.

13. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

14. Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

15. Non-Transferable

Subject to the ASX Listing Rules, the Performance Rights are only transferable, assignable or able to be otherwise disposed or encumbered:

- (a) in Special Circumstances with the consent of the Board (which may be withheld in its absolute discretion); or
- (b) by force of law upon death to the holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.

Special Circumstances means:

- (c) death or total or permanent disability of the holder; or
- (d) retirement or redundancy the holder;
- (e) the holder suffering severe financial hardship;

- (f) any other circumstance stated to constitute “Special Circumstances” in the terms of the relevant offer made to and accepted by the holder; or
- (g) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant holder which circumstances may relate to the holder, a class of holder, including the holder or particular circumstances or class of circumstances applying to the holder.

16. Compliance with laws

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

17. No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

CLE

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

## Need assistance?



### Phone:

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



### Online:

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AWST) on Sunday, 28 November 2021.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

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

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

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

☐

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



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## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Cyclone Metals Limited hereby appoint

☐ the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Cyclone Metals Limited to be held at 32 Harrogate Street, West Leederville, WA 6007 on Tuesday, 30 November 2021 at 9:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 11, 12 and 13 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 11, 12 and 13 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 11, 12 and 13 by marking the appropriate box in step 2.

### Step 2 Items of Business

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

		For	Against	Abstain			For	Against	Abstain
1	Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9	Ratification of prior issue of Nickol River Acquisition Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director - Mr Will Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Ratification of prior issue of Kay Trinder Acquisition Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Director - Mr Terry Donnelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Directors Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	Approval to issue securities to Terry Donnelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification of prior issue of December Placement Shares and December Placement Options under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	Approval to issue securities to Will Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of prior issue of Shares and Options to Tom Grove in satisfaction of debts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
7	Ratification of prior issue of September Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
8	Ratification of prior issue of September Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

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Computershare

