
PEEL MINING LIMITED**ACN 119 343 734****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 10.00am
DATE: 13th April 2022
PLACE: Quest Kings Park
54 Kings Park Road
WEST PERTH WA 6005

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm WST on 11th April 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 62,714,662 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 41,809,775 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 - APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES TO UNRELATED PARTIES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 7,420,009 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES TO DIRECTOR – MR GRAHAM HARDIE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,388,889 Shares to Mr Graham Hardie (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

5. RESOLUTION 5 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES TO DIRECTOR – MR SIMON HADFIELD

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 555,556 Shares to Mr Simon Hadfield (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

6. RESOLUTION 6 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES TO DIRECTOR – MR JIM SIMPSON

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rules 10.11 and for all other purposes, approval is given for the Company to issue up to 2,777,778 Shares to Mr James Simpson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

7. RESOLUTION 7 – APPROVAL TO ISSUE SHARES AND OPTIONS TO ASHANTI CAPITAL

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,522,014 Shares and 4,248,106 Lead Manager Options to the Lead Manager on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 8 – APPROVAL TO ISSUE INCENTIVE OPTIONS TO DIRECTOR – MR MARK OKEBY

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Incentive Options to Mr Mark Okeby (or his nominee) under the Performance Rights and Option Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

9. RESOLUTION 9 – APPROVAL TO ISSUE INCENTIVE OPTIONS TO DIRECTOR – MR JIM SIMPSON

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 6,000,000 Incentive Options to Mr Jim Simpson (or his nominee) under the Performance Rights and Option Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

10. RESOLUTION 10 – APPROVAL TO ISSUE INCENTIVE OPTIONS TO DIRECTOR – MR ROBERT TYSON

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 3,000,000 Incentive Options to Mr Robert Tyson (or his nominee) under the Performance Rights and Option Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

Dated: 11 March 2022

By order of the Board

**Ryan Woodhouse
Company Secretary**

Voting Prohibition Statements:

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| Resolutions 4, 5 and 6 – Approval to issue Tranche 2 Placement Shares to Directors | <p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Related Party Placement Participant). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Related Party Placement Participant.</p> |
| Resolutions 8, 9 and 10 – Approval to issue Incentive Options to Directors | <p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Related Party Option Recipient). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Related Party Option Recipient.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none">(a) the proxy is either:<ul style="list-style-type: none">(i) a member of the Key Management Personnel; or(ii) a Closely Related Party of such a member; and(b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>Provided the Chair is not a Related Party Option Recipient, the above prohibition does not apply if:</p> <ul style="list-style-type: none">(a) the proxy is the Chair; and(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel. |

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

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| Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares | The Tranche 1 Placement Participants or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 2 – Ratification of prior issue of Tranche 1 Placement Shares | The Tranche 1 Placement Participants or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 3 – Approval to issue Tranche 2 Placement Shares to Unrelated Parties | A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). |
| Resolution 4 – Approval to issue Tranche 2 Placement Shares to Director – Mr Graham Hardie | Graham Hardie (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. |
| Resolution 5 – Approval to Issue Tranche 2 Placement Shares to Director – Mr | Simon Hadfield (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary |

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| Simon Hadfield | securities in the Company) or an associate of that person or those persons. |
| Resolution 6 – Approval to issue Tranche 2 Placement Shares to Director – Mr Jim Simpson | Jim Simpson (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. |
| Resolution 7 – Approval to issue Shares and Options to Ashanti Capital | The Lead Manager (or its nominees) or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. |
| Resolution 8 – Approval to Issue Incentive Options to Director – Mr Mark Okeby | Mark Okeby and any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons. |
| Resolution 9 – Approval to issue Incentive Options to Director – Mr Jim Simpson | Jim Simpson and any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons. |
| Resolution 10 – Approval to issue Incentive Options to Director – Robert Tyson | Robert Tyson and any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons. |

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

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Link Market Services Limited will need to verify your identity. You can register from 9.30am on the day of the meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9382 3955.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 TO 7

1.1 Placement

As announced on 23 February 2022, the Company has received binding commitments to raise \$21,000,000 through the issue of approximately 116,666,669 Shares at an issue price of \$0.18 per Share (**Placement**).

The Placement is proposed to be completed in two tranches, comprising:

- (a) the issue of 104,524,437 Shares on 3 March 2022, under the Company's Listing Rule 7.1 and 7.1A capacity (**Tranche 1 Placement**), ratification of which is sought under Resolutions 1 and 2; and
- (b) the issue of up to 12,142,232 Shares subject to Shareholder approval (**Tranche 2 Placement**), which includes the issue of:
 - (i) 7,420,009 Shares to unrelated parties, approval of which is sought under Resolution 3; and
 - (ii) the issue of an aggregate of 4,722,223 Shares to Directors, Graham Hardie, Simon Hadfield and Jim Simpson, approval of which is sought under Resolutions 4 to 6.

The Company engaged the services of Ashanti Capital Pty Ltd (ACN 614 939 981) as lead manager to the Placement (**Lead Manager**) and agreed to pay the Lead Manager 4.5% (plus GST) of the gross proceeds of the Placement (excluding the Directors participation) on the following terms:

- (a) a cash fee of \$358,825; and
- (b) subject to Shareholder approval, issue the Lead Manager (or its nominees) 1,522,014 Shares (at a deemed issue price of \$0.18 per Shares) and 4,248,106 Options exercisable at \$0.236 per Option on or before the date that is three years from their date of issue (**Lead Manager Options**).

Shareholder approval for the issue of 1,522,014 Shares and 4,248,106 Lead Manager Options (together, the **Lead Manager Securities**) to the Lead Manager (or its nominees) is sought pursuant to Resolution 7.

1.2 Share Purchase Plan

In conjunction with the Placement, the Company is also undertaking a Share Purchase Plan (**SPP**) to eligible shareholders to raise up to \$2,000,000. Shares under the SPP are being offered at the same issue price as Shares under the Placement.

1.3 Use of Funds raised under the Placement and the SPP

The proceeds raised under the Placement and the SPP are intended to be applied as set out in the table below:

| Description | AUD\$ |
|--|-------------------|
| Resource expansion drilling at Wirlong | 12,800,000 |
| Resource expansion drilling at Mallee Bull | 3,000,000 |
| Other exploration and tenement holding costs | 1,900,000 |
| Approvals and development studies at the South Cobar Project | 1,800,000 |
| Working Capital and Costs of Capital Raise | 3,500,000 |
| Total Raised Proceeds | 23,000,000 |

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

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES

2.1 General

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 104,524,437 Shares under the Tranche 1 Placement (**Tranche 1 Placement Shares**). Further information in relation to the Tranche 1 Placement is set out in Section 1.1 above.

62,714,662 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 41,809,775 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 29 November 2021 (**AGM**).

2.2 Listing Rules 7.1 and 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 12 month 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%.

The Company obtained approval to increase its limit to 25% at the AGM.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

2.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 1 and 2 are not passed, the Tranche 1 Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

2.5 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 Resolutions 1 and 2:

- (a) the Tranche 1 Placement Shares were issued to professional and sophisticated investors who are clients of the Lead Manager (**Tranche 1 Placement Participants**). The Tranche 1 Placement Participants were identified through a book build process, which involved the Lead Manager seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms the following with respect to the Tranche 1 Placement Participants:
 - (i) Perth Capital Pty Ltd (and its associates), a substantial shareholder of the Company, controlling approximately 19.41% at the date that its last substantial holder notice was issued, was issued approximately 4.8% of the issued capital of the Company at the time of issue of the Tranche 1 Placement Shares; and
 - (ii) Paradise Investment Management Pty Ltd, a substantial shareholder of the Company, controlling approximately 5.46% at the date that its last substantial holder notice was issued, was issued approximately 1.34% of the issued capital of the Company at the time of issue of the Tranche 1 Placement Shares;

- (c) 104,524,437 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 62,714,662 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 41,809,775 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2).
- (d) the Tranche 1 Placement 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;
- (e) the Tranche 1 Placement Shares were issued on 3 March 2022;
- (f) the issue price was \$0.18 per Tranche 1 Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;
- (g) the purpose of the issue of the Tranche 1 Placement Shares was to raise approximately \$18.8 million which will be applied as set out in Section 1.3; and
- (h) the Tranche 1 Placement Shares were issued under in accordance with firm commitment letters entered into by each of the Tranche 1 Placement Participants on standard terms and conditions.

3. RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 SHARES TO UNRELATED PARTIES

3.1 General

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 7,420,009 Shares under the Tranche 2 Placement to unrelated parties (**Unrelated T2 Placement Shares**). Further information in relation to the Tranche 1 Placement is set out in Section 1.1 above.

3.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Unrelated T2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 25% limit under Listing Rules 7.1 and 7.1A. It therefore requires the approval of Shareholders under Listing Rule 7.1.

The proposed issue of Unrelated T2 Placement Shares falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Unrelated T2 Placement Shares. In addition, the issue of the Unrelated T2 Placement Shares will be excluded from the calculation of the number of equity

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

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Unrelated T2 Placement Shares. In these circumstances, the Company will be unable to raise further funds that would otherwise have been raised through the issue of the Unrelated T2 Placement Shares.

3.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Unrelated T2 Placement Shares will be issued to professional and sophisticated investors, including existing shareholders (**Unrelated T2 Participants**). The Unrelated T2 Participants were identified through a book build process, which involved the Lead Manager seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Unrelated T2 Participants will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Shares to be issued is 7,420,009. The Unrelated T2 Placement Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Unrelated T2 Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of the Unrelated T2 Placement Shares will occur on the same date;
- (e) the issue price of the Unrelated T2 Placement Shares will be \$0.18 per Share (being the same price as all Shares offered under the Placement). The Company will not receive any other consideration for the issue of the Unrelated T2 Placement Shares ;
- (f) the purpose of the issue of the Unrelated T2 Placement Shares is to raise approximately \$1.3 million which will be applied as set out in Section 1.3;
- (g) the Unrelated T2 Placement Shares are being issued in accordance with firm commitment letters entered into by each of the Unrelated T2 Participants on standard terms and conditions; and
- (h) the Unrelated T2 Placement Shares are not being issued under, or to fund, a reverse takeover.

4. RESOLUTIONS 4, 5 AND 6 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES TO DIRECTORS

4.1 General

Resolutions 4, 5 and 6 seek Shareholder approval for the issue of an aggregate of 4,722,223 Shares (**Related T2 Placement Shares**) to Directors Graham Hardie, Simon Hadfield and Jim Simpson (together, the **Related T2 Participants**) under the Tranche 2 Placement on the terms set out in the table below. Further information in relation to the Tranche 2 Placement is set out in Section 1.1 above.

| Related Party | Shares | Subscription Sum |
|----------------|------------------|------------------|
| Graham Hardie | 1,388,889 | \$250,000 |
| Simon Hadfield | 555,556 | \$100,000 |
| Jim Simpson | 2,777,778 | \$500,000 |
| Total | 4,772,223 | \$850,000 |

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of the Related T2 Placement Shares constitutes giving a financial benefit and the Related T2 Participants are related parties of the Company by virtue of being Directors.

As Mr Mark Okeby's appointment as a Director was conditional on completion of the Tranche 1 Placement, at the time the Directors resolved to approve the issue of the Related T2 Placement Shares, the Directors were unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applied to the issue.

Accordingly, Shareholder approval for the issue of the Related T2 Placement Shares is sought in accordance with Chapter 2E of the Corporations Act.

4.3 Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

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

unless it obtains the approval of its shareholders.

The issue of the Related T2 Placement Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 4, 5 and 6 seek Shareholder approval for the issue of the Related T2 Placement Shares under and for the purposes of Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 4, 5 and 6 are passed, the Company will be able to proceed with the issue of the Related T2 Placement Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner set out in Section 1.3. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related T2 Placement Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Related T2 Placement Shares will not use up any of the Company's 25% annual placement capacity.

If Resolutions 4, 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Related T2 Placement Shares and no further funds will be raised in respect of the Tranche 2 Placement.

4.5 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 4, 5 and 6:

- (a) the Shares will be issued to the Related T2 Participants (or their nominees), who fall within the category set out in Listing Rule 10.11.1 by virtue of being Directors;
- (b) the maximum number of the Related T2 Placement Shares to be issued (or their nominees) (being the nature of the financial benefit proposed to be given) is 4,722,223, comprising:
 - (i) 1,388,889 Shares to Graham Hardie (or his nominee) pursuant to Resolution 4; and
 - (ii) 555,556 Shares to Simon Hadfield (or his nominee) pursuant to Resolution 5; and
 - (iii) 2,777,778 Shares to Jim Simpson (or his nominee) pursuant to Resolution 6;

- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated all of the Shares will be issued on the same date;
- (e) the issue price will be \$0.18 per Share, being the same issue price as Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of the Related T2 Placement Shares is to raise capital, which the Company intends to apply as set out in Section 1.3;
- (g) the Related T2 Placement Shares are not intended to remunerate or incentivise the Related T2 Participants;
- (h) the Shares are being issued in accordance with firm commitment letters entered into by each of the Related T2 Participants on standard terms and conditions;
- (i) the value of the Related T2 Placement Shares, based on the issue price of the Related T2 Placement Shares, is \$850,000 and a breakdown of the value of the Placement Related T2 Placement being issued to each Director (or their associates) is set out in Section 4.1 above;
- (j) the relevant interests of the Directors in securities of the Company as at the date of this Notice are set out below:

| Related Party | Shares ¹ | Options | Performance Rights |
|----------------|---------------------|------------------------|------------------------|
| Graham Hardie | 19,365,095 | 500,000 ² | - |
| Simon Hadfield | 5,050,490 | 500,000 ² | - |
| Jim Simpson | 4,793,223 | 2,000,000 ³ | 1,500,000 ⁴ |

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX:PEX).
 2. Unlisted Options exercisable at \$0.32 each on or before 29 November 2022.
 3. Unlisted Options exercisable at \$0.31 each on or before 9 September 2022.
 4. Comprising 500,000 Class A, 150,000 Class B, 350,000 Class C, 125,000 Class D, 125,000 Class E and 250,000 Class F Performance Rights.
- (k) if all Related T2 Placement Shares are issued a total of 4,722,223 Shares would be issued. This will increase the number of Shares on issue from 522,622,194 (being the total number of Shares on issue as at the date of this Notice) to 527,349,417 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of .90%, comprising 0.26% by Mr Graham Hardie, 0.11% by Mr Simon Hadfield and 0.53% by Mr Jim Simpson;

- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

| | Price | Date |
|---------|--------|-----------------|
| Highest | \$0.36 | 1 June 2021 |
| Lowest | \$0.18 | 25 January 2022 |
| Last | \$0.22 | 3 March 2022 |

- (m) Robert Tyson and Mark Okeby recommend that Shareholders vote in favour of Resolutions 4 to 6 as the issue of the Related T2 Placement Shares to Directors is being proposed on the same basis as the issue of Shares to unrelated parties under the Placement;
- (n) as each Director (other than Robert Tyson and Mark Okeby) has a material personal interest in the outcome of Resolutions 4 to 6 on the basis that the Directors (other than Robert Tyson and Mark Okeby) (or their nominees) are to be issued Shares on the same terms and conditions should Resolutions 4 to 6 be passed. For this reason, the Directors (other than Robert Tyson and Mark Okeby) do not believe that it is appropriate to make a recommendation on Resolutions 4 to 6 of this Notice; and
- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 4 to 6.

5. RESOLUTION 7 – APPROVAL TO ISSUE SHARES AND OPTIONS TO ASHANTI CAPITAL

5.1 General

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Securities. Further information in relation to the issue of the Lead Manager Securities is set out in Section 1.1.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

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

5.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Lead Manager Securities. In addition, the issue of the Lead Manager Securities 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 7 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Securities. In the event this occurs, the Company will be required to pay a cash fee of \$547,925 to the Lead Manager in lieu of the issue of the Lead Manager Securities.

5.4 Technical information required by Listing Rule 7.1

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

- (a) the Lead Manager Securities will be issued to the Lead Manager (or its nominees);
- (b) the maximum number of Lead Manager Securities to be issued is:
 - (i) 1,522,014 Shares; and
 - (ii) 4,248,106 Lead Manager Options;
- (c) the Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the terms and conditions of the Lead Manager Options are set out in Schedule 1;
- (e) the Lead Manager Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Securities will occur on the same date;
- (f) the Shares will be issued at a nil issue price and the Lead Manager Options will be issued at an issue price of \$0.00001 per Option, in part consideration for lead manager services provided in relation to the Placement;
- (g) the purpose of the issue of the Lead Manager Securities is to satisfy the Company's obligations under its agreement with the Lead Manager (**Lead Manager Mandate**);
- (h) the Lead Manager Securities are being issued to the Lead Manager under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate is set out in Section 1.1; and
- (i) the Lead Manager Securities are not being issued under, or to fund, a reverse takeover.

6. RESOLUTIONS 8, 9 AND 10 – ISSUE OF INCENTIVE OPTIONS TO DIRECTORS

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue up to 13,000,000 Options to Mr Jim Simpson, Mr Mark Okeby and Mr Robert Tyson (together, the **Related Parties**) (or their nominees) pursuant to the Performance Rights and Option Plan (**Plan**) and on the terms and conditions set out below (**Incentive Options**).

The Incentive Options will be distributed amongst the Related Parties as follows:

- (a) 4,000,000 Incentive Options to Mr Mark Okeby;
- (b) 6,000,000 Incentive Options to Mr Jim Simpson; and

(c) 3,000,000 Incentive Options to Mr Robert Tyson.

6.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 4.2 above.

The issue of the Incentive Options to the Related Parties (or their nominees) constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of being Directors.

The Directors (other than the Related Parties) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options, because the agreement to issue the Incentive Options, reached as part of the remuneration packages for the Related Parties, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis. However, in the interests of best practice corporate governance, the Board has resolved to seek Shareholder approval pursuant to Chapter 2E of the Corporations Act in respect of the issue of the Incentive Options.

6.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

10.14.1 a director of the entity;

10.14.2 an associate of a director of the entity; or

10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Incentive Options to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 8, 9, and 10 seek the required Shareholder approval for the issue of the Incentive Options under and for the purposes of Listing Rule 10.14.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 8, 9 and 10 are passed, the Company will be able to proceed with the issue of the Incentive Options to the Related Parties under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Options (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 8, 9 and 10 are not passed, the Company will not be able to proceed with the issue of the Incentive Options to the Related Parties under the Plan.

6.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 8, 9 and 10:

- (a) the Incentive Options will be issued to the Related Parties (or their nominees) in the amounts set out in Section 6.1, who fall within the category set out in Listing Rule 10.14.1 by virtue of being Directors;
- (b) the maximum number of Incentive Options to be issued is 13,000,000, which will be distributed amongst the Related Parties as follows:
 - (i) 4,000,000 Incentive Options to Mr Mark Okeby;
 - (ii) 6,000,000 Incentive Options to Mr Jim Simpson; and
 - (iii) 3,000,000 Incentive Options to Mr Robert Tyson;
- (c) the current total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

| Related Party | Estimated Current Financial Year | | | Previous Financial Year |
|-------------------------|----------------------------------|--|-----------|-------------------------|
| | Cash ¹ | Provisions and Share Based Payments ² | Total | |
| Mark Okeby ³ | \$18,333 | \$310,291 | \$328,624 | - |
| Jim Simpson | \$252,667 | \$596,957 | \$849,624 | \$256,742 |
| Robert Tyson | \$367,371 | \$448,206 | \$815,576 | \$511,623 |

Notes:

1. Comprising Directors' fees/salary/superannuation and leave entitlements paid out to Mr Tyson.
 2. Comprising of annual leave provisions, long service leave provisions and share-based payments (including an increase of \$310,291 for Mr Okeby, \$465,436 for Mr Simpson and \$232,718 for Mr Tyson, being the calculated value of the Incentive Options).
 3. Appointed on 3 March 2022.
- (d) since adoption of the Plan on 28 November 2019, the Company has previously issued:
 - (i) 1,000,000 Options and 2,500,000 Performance Rights to Mr Robert Tyson for nil consideration; and
 - (ii) 2,000,000 Options and 1,500,000 Performance Rights to Mr James Simpson for nil consideration;
 - (e) a summary of the material terms and conditions of the Incentive Options is set out in Schedule 2;
 - (f) the Incentive Options are unquoted Options. The Company has chosen to issue Incentive Options to the Related Parties for the following reasons:

- (i) the Incentive Options are unquoted, therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Incentive Options to the Related Parties will align the interests of these Directors with those of Shareholders;
 - (iii) the issue of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (g) the value of the Incentive Options and the pricing methodology is set out in Schedule 3;
 - (h) the Incentive Options will be issued to the Related Parties (or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
 - (i) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options);
 - (j) the purpose of the issue of the Incentive Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
 - (k) a summary of the material terms and conditions of the Plan is set out in Schedule 4;
 - (l) no loan is being made to the Related Parties in connection with the acquisition of the Incentive Options;
 - (m) details of any Options issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
 - (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Plan after Resolutions 8, 9 and 10 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14; and
 - (o) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

| Related Party | Shares ¹ | Options | Performance Rights |
|---------------|---------------------|------------------------|------------------------|
| Mark Okeby | 7,055,556 | - | - |
| Jim Simpson | 4,793,223 | 2,000,000 ² | 1,500,000 ⁴ |
| Rob Tyson | 8,019,514 | 1,000,000 ³ | 2,500,000 ⁵ |

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX:PEX).
2. Unlisted Options exercisable at \$0.31 each on or before 9 September 2022.
3. Unlisted Options exercisable at \$0.31 each on or before 29 November 2022.
4. Comprising 500,000 Class A, 150,000 Class B, 350,000 Class C, 125,000 Class D, 125,000 Class E and 250,000 Class F Performance Rights.
5. Comprising 850,000 Class A, 255,000 Class B, 595,000 Class C, 200,000 Class D, 200,000 Class E and 400,000 Class F Performance Rights.

- (p) if the Incentive Options issued to the Related Parties are exercised, a total of 13,000,000 Shares would be issued. This will increase the number of Shares on issue from 522,622,194 (being the total number of Shares on issue as at the date of this Notice) to 535,622,194 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.43%, comprising 0.75% by Mr Mark Okeby, 1.12% by Mr Jim Simpson and 0.56% by Mr Robert Tyson.

The market price for Shares during the term of the Incentive Options would normally determine whether the Incentive Options are exercised. If, at any time any of the Incentive Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Options, there may be a perceived cost to the Company.

- (q) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out in Section 4.5(l) above;
- (r) Mr Jim Simpson and Mr Robert Tyson are executive Directors of the Company and therefore Mr Simon Hadfield and Mr Graham Hardie (together, the **Non-Interested Directors**) believe that the issue of the Incentive Options to Mr Jim Simpson and Mr Robert Tyson is in line with Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations;
- (s) the Non-Interested Directors recommend that Shareholders vote in favour of Resolutions 8 to 10 for the reasons set out in Sections 6.5(f) and 6.5(j). In forming their recommendation, the Non-Interested Directors considered the experience of the Related Parties, the current market price of Shares, the current market standards and practices when determining the number of Incentive Options to be issued to each of the Related Parties, as well as the exercise price and expiry date of those Incentive Options;
- (t) each Director (other than the Non-Interested Directors) has a material personal interest in the outcome of Resolutions 8 to 10 on the basis that the Directors (other than the Non-Interested Directors) (or their nominees) are to be issued Incentive Options on the same terms and conditions should Resolutions 8 to 10 be passed. For this reason, the

Directors (other than the Non-Interested Directors) do not believe that it is appropriate to make a recommendation on Resolutions 8 to 10 of this Notice; and

- (u) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 8 to 10.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Peel Mining Limited (ACN 119 343 734).

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.

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

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

Lead Manager means Ashanti Capital (ACN 614 939 981).

Listing Rules means the Listing Rules of ASX.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Plan means the Company's Performance Rights and Options Plan approved by Shareholders on 28 November 2019.

Proxy Form means the proxy form accompanying the Notice.

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

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.

SPP Offer means the Share Purchase Plan being undertaken by the Company to raise \$2,000,000 through the issue of Shares at \$0.18 per Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Lead Manager Option will be \$0.236 per Lead Manager Option. (**Exercise Price**)

(c) **Issue Price**

The Lead Manager Options have a subscription price of \$0.00001 Option.

(d) **Expiry Date**

Each Lead Manager Option will expire at 5:00 pm (WST) on the date which is the day before three years from the date of issue of the Lead Manager Options (**Expiry Date**). A Lead Manager Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

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

(f) **Notice of Exercise**

The Lead Manager Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Lead Manager 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.

(g) **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 Lead Manager Option being exercised in cleared funds (**Exercise Date**).

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Lead Manager Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy

section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Lead Manager Options.

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

(i) **Shares issued on exercise**

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

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in exercise price**

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

(m) **Transferability**

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

SCHEDULE 2– TERMS AND CONDITIONS OF INCENTIVE OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Incentive Option will be \$0.236 per Incentive Option. (**Exercise Price**)

(c) **Expiry Date**

Each Incentive Option will expire at 5:00 pm (WST) on 21 February 2025 (**Expiry Date**). An Incentive Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Sale Restrictions**

The Shares issued on exercise of the Incentive Options issued to Jim Simpson and Rob Tyson will be subject to the following restriction periods in accordance with the Plan:

| Portion of Shares acquired from Exercise of Incentive Options | Restriction Period |
|--|-----------------------------------|
| 1/3 rd - 1,000,000 | 12 months ending 21 February 2023 |
| 1/3 rd - 1,000,000 | 24 months ending 21 February 2024 |
| 1/3 rd - 1,000,000 | 36 months ending 21 February 2025 |

The Shares issued on exercise of the Incentive Options issued to Mark Okeby will not be subject to a restriction period.

(m) **Transferability**

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

SCHEDULE 3 – VALUATION OF INCENTIVE OPTIONS

The Incentive Options to be issued to the Related Parties pursuant to Resolutions 8 to 10 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, the Incentive Options were ascribed the following value:

| Assumptions: | |
|--|--------------------------------|
| Valuation date | 22 nd February 2022 |
| Market price of Shares | 20 cents |
| Exercise price | 23.6 cents |
| Expiry date (length of time from issue) | 21 st February 2025 |
| Risk free interest rate | 1.0% |
| Volatility (discount) | 65% |
| | |
| Indicative value per Incentive Option | 7.757 cents |
| | |
| Total Value of Incentive Options | \$1,008,444 |
| - Mark Okeby (Resolution 8) | \$310,291 |
| - Jim Simpson (Resolution 9) | \$465,436 |
| - Robert Tyson (Resolution 10) | \$232,718 |

Note: The valuation noted above is not necessarily the market price that the Incentive Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS AND OPTION PLAN

The key terms of the Performance Rights and Option Plan (Plan) are as follows:

(a) **Eligibility**

Participants in the Plan may be:

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

(b) **Offer**

The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.

(c) **Plan limit**

The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

(d) **Issue price**

Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.

(e) **Vesting Conditions**

An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**).

(f) **Vesting**

The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:

- (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (ii) a change of control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(g) **Lapse of an Award**

An Award will lapse upon the earlier to occur of:

- (i) an unauthorised dealing, or hedging of, the Award occurring;
- (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iv) in respect of vested Awards only, a Relevant Person ceases to be an Eligible Participant and the Award granted in respect of that Relevant Person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
- (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
- (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; and
- (vii) the expiry date of the Award.

(h) **Not transferrable**

Subject to the ASX Listing Rules, Awards are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

(i) **Shares**

Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.

(j) **Sale Restrictions**

The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Awards (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.

(k) **Quotation of Shares**

If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.

(l) **No Participation Rights**

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

(m) **Change in exercise price of number of underlying securities**

An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.

(n) **Reorganisation**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(o) **Amendments**

Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Award granted under the Plan including giving any amendment retrospective effect.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Peel Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND*
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

*During business hours Monday to Friday

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (WST) on Monday, 11 April 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to participate in the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to participate in the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO PARTICIPATE IN AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR PARTICIPATION.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Peel Mining Limited and entitled to participate in and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am (WST) on Wednesday, 13 April 2022, at Quest Kings Park, 54 Kings Park Road, WEST PERTH WA 6005** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 4,5,6,8,9 & 10: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 4,5,6,8,9 & 10, even though the Resolutions are connected directly or indirectly with the issue of securities to a member of the Company's Board or Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

| | For | Against | Abstain* | | For | Against | Abstain* |
|--|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|
| 1 Ratification of prior issue of Tranche 1 Placement Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 Approval to issue Incentive Options to Director – Mr Jim Simpson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Ratification of prior issue of Tranche 1 Placement Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10 Approval to issue Incentive Options to Director – Mr Robert Tyson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Approval to issue Tranche 2 Placement Shares to Unrelated Parties | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4 Approval to issue Tranche 2 Placement Shares to Director – Mr Graham Hardie | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 5 Approval to issue Tranche 2 Placement Shares to Director – Mr Simon Hadfield | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 6 Approval to issue Tranche 2 Placement Shares to Director – Mr Jim Simpson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 7 Approval to issue Shares and Options to Ashanti Capital | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 8 Approval to issue Incentive Options to Director – Mr Mark Okeby | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |

STEP 2



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

PEX PRX2201B

