

# ASX ANNOUNCEMENT

12 April 2022

## ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold company that is developing the 1.7Moz Warrawoona Gold Project in the East Pilbara district of Western Australia.

## DIRECTORS AND MANAGEMENT

Mr Mark Connelly  
NON-EXECUTIVE CHAIRMAN

Mr David Reeves  
MANAGING DIRECTOR

Mr Keith Coughlan  
NON-EXECUTIVE DIRECTOR

Mr John Ciganek  
NON-EXECUTIVE DIRECTOR

Ms Kate George  
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan  
PROJECT DEVELOPMENT

Mr Richard Hill  
CHIEF FINANCIAL OFFICER

Ms Julia Beckett  
COMPANY SECRETARY

[calidus.com.au](http://calidus.com.au)

## ASX : CAI

✉ [info@calidus.com.au](mailto:info@calidus.com.au)

📍 Suite 12, 11 Ventnor Ave  
West Perth WA 6005  
AUSTRALIA

## NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting (**Meeting**) of Shareholders of Calidus Resources Limited (**Company**) will be held as follows:

**Time and date:** Friday, 13 May 2022, at 3:00pm (AWST)

**Location:** Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005.

As permitted by the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholder has made a valid election to receive documents in hard copy. Instead the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website <https://www.calidus.com.au/investors/asx-announcements/>.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at [www.asx.com.au](http://www.asx.com.au) under the Company's ASX code "CAI".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

For those shareholders that have not elected to receive notices by email, a copy of your personalised Proxy Form is enclosed for your convenience. Please complete and return the attached Proxy Form to the Company's share registry, Automic, using any of the following methods:

Online:	at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a>
By mail:	Automic, GPO Box 5193, Sydney NSW 2001
In person:	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email:	<a href="mailto:meetings@automicgroup.com.au">meetings@automicgroup.com.au</a>

Your proxy voting instruction must be received by 3:00pm (AWST) on Wednesday, 11 May 2022, being not later than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the scheduled Meeting. The Company strongly encourages all shareholders to submit their personalised Proxy Form as instructed prior to the Meeting.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investor.automic.com.au/#/home>. If you have not yet registered to receive electronic communications, you will need your shareholder information including SRN/HIN details.

The Meeting Materials 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.

If you are unable to access the Meeting Materials online please contact our share registry Automic by phone on 1300 288 664 (within Australia) or on +61 2 9698 5414 (outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday, to obtain a copy.

For the purpose of Listing Rule 15.5, the Managing Director has authorised for this announcement to be released.

A handwritten signature in blue ink, appearing to read 'Beckett', with a stylized flourish at the end.

Julia Beckett  
**COMPANY SECRETARY**



**ACN 006 640 553**

**NOTICE OF GENERAL MEETING**

**The General Meeting of the Company will be held at Suite 12,  
Level 1, 11 Ventnor Avenue, West Perth WA 6005 on  
Friday, 13 May 2022 at 3:00pm (WST)**

*The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on 0402 086 288*

Due to the ongoing COVID-19 pandemic, the Company is taking precautions to facilitate an in-person Meeting in accordance with COVID-19 restrictions. If the situation in relation to COVID-19 changes in a way affecting the ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by way of an announcement on the ASX market announcements platform.

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

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# CALIDUS RESOURCES LIMITED

ACN 006 640 553

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## NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Calidus Resources Limited will be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on Friday, 13 May 2022 at 3:00pm (WST) (Meeting).

The Board is closely monitoring the rapidly changing coronavirus (COVID-19) pandemic. The health of the Company's Shareholders, employees and other stakeholders is of paramount importance.

While the Board would like to host all Shareholders in person, in order to minimise the risk to Shareholders and to the Company and its ongoing operations, the Company suggests that Shareholders do not attend the Meeting in person.

Accordingly, the Directors strongly encourage all Shareholders to lodge Proxy Forms prior to the Meeting. The Company advises that a poll will be conducted for each of the Resolutions.

The Board will continue to monitor Australian Government restrictions on public gatherings. If it becomes necessary or appropriate to make alternative arrangements to those set out in this Notice, the Company will notify Shareholders accordingly via the Company's website at [www.calidus.com.au](http://www.calidus.com.au) and the ASX announcement platform.

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 11 May 2022 at 5:00pm (WST).

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

## AGENDA

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### 1. Resolution 1 - Election of Director - Ms Kate George

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

*"That, in accordance with Article 7.6(c) of the Constitution, Listing Rule 14.4 and for all other purposes, Ms Kate George, a Director who was appointed to fill a casual vacancy on 1 February 2022, retires, and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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## 2. Resolution 2 - Approval to issue Director Options to Directors

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

*“That, the issue of:*

- (a) *up to 1,025,937 Options to Mr David Reeves (or his nominee/s);*
- (b) *up to 369,000 Options to Mr Mark Connelly (or his nominee/s);*
- (c) *up to 73,888 Options to Mr John Ciganek (or his nominee/s); and*
- (d) *up to 179,861 Options to Ms Kate George (or her nominee/s),*

*under the Plan is approved under and for the purposes of Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, on the terms and conditions in the Explanatory Memorandum.”*

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## 3. Resolution 3 - Ratification of prior issue of Consideration Shares to Haoma

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

*“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,461,262 Consideration Shares to Haoma Mining NL (or its respective nominees) on the terms and conditions in the Explanatory Memorandum.”*

### Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 2** by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (b) **Resolution 3** by or on behalf of Haoma Mining NL (or its respective nominees) and any person who participated in the issue of the securities or is a counterparty to the agreement being approved, or any of their respective associates;

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

Shares held by or for an employee incentive scheme must only be voted on a Resolution under the Listing Rules if and to the extent that they are held for the benefit of a nominated participant in the scheme; the nominated participant is not excluded from voting on the Resolution under the Listing Rules; and the nominated participant has directed how the Shares are to be voted.

## Voting prohibitions

**Resolution 2:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Further, 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.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast 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.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

**BY ORDER OF THE BOARD**

Julia Beckett  
**Company Secretary**  
**CALIDUS RESOURCES LIMITED**

Dated: 12 April 2022

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# CALIDUS RESOURCES LIMITED

ACN 006 640 553

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on Friday, 13 May 2022 at 3:00pm (WST).

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

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

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 - Election of Director - Ms Kate George
Section 4	Resolution 2 - Approval to issue Director Options to Directors
Section 5	Resolution 3 - Ratification of prior issue of Consideration Shares to Haoma
Schedule 1	Definitions
Schedule 2	Terms and conditions of Director Options
Schedule 3	Valuation of Director Options
Schedule 4	Summary of Employee Securities Incentive Plan
Schedule 5	Tenements and Lithium Rights

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

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### 2. Action to be taken by Shareholders

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

#### 2.1 Voting in person

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



## 2.2 Proxies

### (a) Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are encouraged to sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Proxy Forms must be received by the Company no later than 3:00pm (WST) on Wednesday, 11 May 2022, being not later than 48 hours before the Meeting.

### (b) Proxy vote if appointment specifies way to vote

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

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

### (c) Transfer of non-chair proxy to chair in certain circumstances

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

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

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

### **2.3 Chair's voting intentions**

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

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

If the Chair is a person referred to in the voting prohibition statement applicable to a Resolution (under section 224 of the Corporations Act), the Chair will only be able to cast a vote as proxy for you on the relevant Resolution if you are entitled to vote and have specified your voting intention in the Proxy Form.

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## **3. Resolution 1 - Election of Director - Ms Kate George**

### **3.1 General**

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

Pursuant to Article 7.6(b) of the Constitution, any Director appointed under article 7.6(a) may retire at the next general meeting of the Company and is eligible for election at that meeting.

Accordingly, Ms Kate George, having been appointed by other Directors on 1 February 2022 in accordance with the Constitution, resigns as a Director at the Meeting and, being eligible, seeks approval to be elected as a Director pursuant to Resolution 1.

If Resolution 1 is passed, Ms George will be re-elected as a Director. If elected, Ms George is considered by the Board (with Ms George abstaining) to be an independent Director.

Ms George is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

### 3.2 Qualifications and other material directorships

Ms George has over 20 years' experience in environmental management within government and industry, working with small midcap miners to major resource companies. Ms George's key experience includes the development of environmental permitting strategy and the coordination of ecological survey via Western Australian consulting firm Rapallo.

Ms George holds a Bachelor of Science (Environmental) with First Class Honours from Murdoch University and is a qualified Auditor of Integrated Management Systems (RABQSA, QM, EM, OH).

Ms George has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

### 3.3 Board recommendation

The Board (excluding Ms George) recommends that Shareholders vote in favour of Resolution 1 for the following reasons:

- (a) Ms George's exceptional environmental knowledge and experience;
- (b) with a strong ecological background, Ms George will contribute to the future of the Company's ESG commitments; and
- (c) Ms George's experience will continue to enhance the Board's ability to perform its role.

Resolution 1 is an ordinary resolution.

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## 4. Resolution 2 - Approval to issue Director Options to Directors

### 4.1 General

The Board has engaged BDO Remuneration and Reward (**BDO**) to review the Company's current remuneration approach so as to determine the appropriateness of the current pay structures in comparison to the market.

Following receipt of BDO's recommendations, the Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 1,648,686 unquoted, zero exercise price Options with various performance and vesting conditions to Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George (**Related Parties**), or their respective nominees, as follows (together, the **Director Options**):

Director	Executive Options	NED Options	Total
David Reeves	1,025,937	-	1,025,937
Mark Connelly	-	369,000	369,000
John Ciganek	-	73,888	73,888
Kate George	-	179,861	179,861
<b>Total</b>	<b>1,025,937</b>	<b>622,749</b>	<b>1,648,686</b>

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue seeks to align the efforts of the Related Parties in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Director Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Director Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Executive Options and NED Options are all to be issued under the Company's Employee Securities Incentive Plan (**Plan**), the terms of which are summarised in Schedule 4. The Plan was approved by Shareholders on 3 December 2020.

Subject to the terms and conditions in Schedule 2, the Director Options will vest as follows:

(a) **Executive Options:**

Tranche	Number of Options	Performance Condition	Vesting Condition	Expiry Date
1	341,979 (Tranche 1 Executive Options)	A positive Share price according to the performance of the Company relative to the performance of the Peer Group for the Measurement Period based on total shareholder return (TSR) over the 12 month period from 1 January 2022 to 31 December 2022 (Tranche 1	The Executive providing continuous service to the Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.	31 December 2023

Tranche	Number of Options	Performance Condition	Vesting Condition	Expiry Date
		Performance Condition).		
2	341,979 (Tranche 2 Executive Options)	A positive Share price according to the performance of the Company relative to the performance of the Peer Group for the Measurement Period based on total shareholder return (TSR) over the 24 month period from 1 January 2022 to 31 December 2023 (Tranche 2 Performance Condition).	The Executive providing continuous service to the Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.	31 December 2024
3	341,979 (Tranche 3 Executive Options)	No Performance Condition applies.	The Executive providing continuous service to the Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.	31 December 2024

Where:

**Peer Group** means the list of companies set out in the table below, as adjusted by the Board in certain circumstances:

Peer Group	
Alkane Resources Limited	Ora banda Mining Limited
Aurelia Metals Limited	Pantoro Limited
Bellevue Gold Limited*	Ramelius Resources Limited

Capricorn Metals Limited	Red 5 Limited
Dacian Gold Limited	Regis Resources Limited
De Grey Mining Limited*	Silver Lake Resources Limited
Gascoyne Resources Limited	St Barbara Limited
Gold Road Limited	Westgold Resources Limited
Wiluna Mining Corporation	

\*represents Developers.

**Measurement Period** means, for:

- **Tranche 1 Executive Options:** the 12 month period commencing on 1 January 2022 and ending on 31 December 2022; and
- **Tranche 2 Executive Options and Tranche 3 Executive Options:** the 24 month period commencing on 1 January 2022 and ending on 31 December 2023.

Subject to Mr Reeves providing continuous service to the Company and remaining employed or engaged by the Group at all times until the end of the relevant Measurement Period:

- (i) up to 100% of the Tranche 1 Executive Options and up to 100% of the Tranche 2 Executive Options will vest on achievement of the Tranche 1 Performance Condition and Tranche 2 Performance Condition respectively, according to the performance of the Company relative to the performance of the Peer Group for the relevant Measurement Period based on total shareholder return (TSR) as set out below:

Relative TSR for Measurement Period	Proportion of Options that will vest
Below the 25th percentile	0%
At the 25th percentile	25%
Between the 25th and 75th percentile	Pro-rata between 25% and 100%
At and above the 75th percentile	100%

The TSR calculation will be based on the volume weighted average price of the Company's fully paid ordinary shares during the 20 trading days before and including the first trading day of the Measurement Period and the 20 trading days up to and including the last trading day of the Measurement Period; and

- (ii) 100% of the Tranche 3 Executive Options will vest.
- (b) **NED Options:** each tranche of NED Options will vest upon satisfaction of the following vesting conditions:

- (i) **Tranche 1 NED Options:** the relevant Director providing continuous service to the Company and remaining an officeholder with, or otherwise employed or engaged by, the Company at all times until 31 December 2022;
- (ii) **Tranche 2 NED Options:** the relevant Director providing continuous service to the Company and remaining an officeholder with, or otherwise employed or engaged by, the Company at all times until 31 December 2023;
- (iii) **Tranche 3 NED Options:** the relevant Director providing continuous service to the Company and remaining an officeholder with, or otherwise employed or engaged by, the Company at all times until 31 December 2024.

Resolution 2(a) to (d) (inclusive) seek Shareholder approval pursuant to Listing Rule 10.14 for the issue of up to a total of 1,648,686 Director Options under the Plan to the Related Parties, or their respective nominees.

#### 4.2 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director the company (Listing Rule 10.14.2); or
- (c) a person whose relation with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed issue of the Director Options falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if a Related Party elects for the Director Options to be granted to their nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Director Options to the Related Parties and the Related Parties will be remunerated accordingly based on the achievement of the performance and vesting conditions set out above.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Director Options to the Related Parties and the Company may need to consider other forms of performance-based remuneration, including by the payment of cash.

### 4.3 Specific information required by Listing Rule 10.15

Under and for the purposes of Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Executive Options:

- (a) The Director Options will be issued under the Plan to Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George (**Related Parties**), or their respective nominees.
- (b) Each of the Related Parties is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the Director Options are issued to a nominee of a Related Party, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The maximum number of Director Options to be issued under the Plan is:
  - (i) up to 1,025,937 Executive Options to Mr David Reeves (or his nominee/s);
  - (ii) up to 369,000 NED Options to Mr Mark Connelly (or his nominee/s);
  - (iii) up to 73,888 NED Options to Mr John Ciganek (or his nominee/s); and
  - (iv) up to 179,861 NED Options to Ms Kate George (or her nominee/s).

The actual number of Director Options that vest is dependent on the achievement of the performance and vesting conditions set out in Section 4.1 above.

- (d) The current total remuneration package for each of the Related Parties as at the date of this Notice are set out below:

Remuneration (per annum)	David Reeves	Mark Connelly	John Ciganek	Kate George
Salary, fees and leave	\$300,000	\$79,200	\$48,000	\$48,000
Superannuation	\$30,000	\$7,920	-	-
<b>TOTAL</b>	<b>\$330,000</b>	<b>\$87,120</b>	<b>\$48,000</b>	<b>\$48,000</b>

- (e) Mr John Ciganek has previously been issued 200,000 Options (each with a nil exercise price and expiry date of 4 January 2025) under the current Plan for nil cash consideration in accordance with the terms of Mr Ciganek's appointment letter. None of the other Related Parties have previously been issued Securities under the current Plan adopted at the Company's 2020 annual general meeting.
- (f) The exercise price of the Director Options is nil and have the following expiry dates:



- (i) **Executive Options:** in respect of:
  - (A) Tranche 1 Executive Options: 5.00pm (WST) on 31 December 2023; and
  - (B) Tranche 2 and Tranche 3 Executive Options: 5.00pm (WST) on 31 December 2024.
- (ii) **NED Options:** in respect of:
  - (A) Tranche 1 NED Options: 5.00pm (WST) on 31 December 2023;
  - (B) Tranche 2 NED Options: 5.00pm (WST) on 31 December 2024; and
  - (C) Tranche 3 NED Options: 5.00pm (WST) on 31 December 2025.
- (g) The Director Options will be issued on the terms and conditions set out in Schedule 2.
- (h) The Board considers that the Director Options, rather than Shares, are an appropriate form of incentive on the basis that:
  - (i) they are being issued as a cost effective and efficient incentive to incentivise the continued performance and retention of the Directors and are considered by the Board to be consistent with the strategic goals and targets of the Company;
  - (ii) Shareholders can readily ascertain and understand the performance milestones which are required to be satisfied for the Director Options to vest and the number of Shares to which they relate; and
  - (iii) the Related Parties will only obtain the value of the Director Options and exercise the Director Options into Shares upon satisfaction of the relevant performance and vesting conditions.
- (i) The Company has obtained an independent valuation of the Director Options, using a hybrid employee share option pricing model for the Tranche 1 Executive Options and Tranche 2 Executive Options, and a Black Scholes option pricing model for the Tranche 3 Executive Options and the NED Options, as set out in Schedule 3, with a summary for each Related Party below:
  - (i) **Executive Options**

Related Party	Value of Executive Options			
	Tranche 1 Executive Options	Tranche 2 Executive Options	Tranche 3 Executive Options	TOTAL
David Reeves	\$303,335	\$306,413	\$338,559	<b>\$948,307</b>

(ii) **NED Options**

Related Party	Value of NED Options			
	Tranche 1 NED Options	Tranche 2 NED Options	Tranche 3 NED Options	TOTAL
Mark Connelly	\$55,770	\$154,770	\$154,770	<b>\$365,309</b>
John Ciganek	\$2,383	\$2,383	\$68,383	<b>\$73,149</b>
Kate George	\$55,962	\$61,050	\$61,050	<b>\$178,062</b>

- (j) The Director Options will be issued no later than three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (k) A summary of the material terms of the Plan is set out in Schedule 4.
- (l) No loan will be provided to the Related Parties in relation to the issue of the Director Options.
- (m) Details of any Securities issued under the Plan will be published in the annual report of the Company relating to a 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 the Plan after any or all of Resolution 2(a) to (d) (inclusive) are approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

#### 4.4 Section 195(4) of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a meeting

of directors from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors (excluding Mr Keith Coughlan who will not be issued any Director Options) do not have a material personal interest in the issue of Director Options other than those to be issued to themselves. However, given that it is proposed that all Directors (excluding Mr Coughlan) are issued Director Options pursuant to Resolutions 2(a) to (d) (inclusive), they may be considered to have a material personal interest in the outcome of Resolutions 2(a) to (d) (inclusive), in which case the Directors would be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act, and put the matter to Shareholders to resolve.

#### **4.5 Chapter 2E of the Corporations Act**

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

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

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

The grant of the Director Options constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

The Board considers that the issue of the Director Options constitutes 'reasonable remuneration' in the circumstances, and therefore falls within the scope of the exception in section 211 of the Corporations Act. However, in the interests of good corporate governance, as all Directors (excluding Mr Coughlan) have a personal interest and therefore the Directors are unable to form a quorum, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the Director Options.

#### **4.6 Information requirements for Chapter 2E of the Corporations Act**

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Options.

- (a) **Identity of the related parties to whom Resolutions 2(a) to (d) (inclusive) permit financial benefits to be given**

The Director Options will be issued to Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George, or their respective nominees.

- (b) **Nature of the financial benefit**

Resolutions 2(a) to (d) (inclusive) seek approval from Shareholders to allow the Company to issue the Director Options in the amounts specified in Section 4.1 above to the Related Parties or their nominees. The Director Options are to be issued in accordance with the Plan and otherwise on the terms and conditions in Schedule 2.

The Shares to be issued upon conversion of the Director Options will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

**(c) Valuation of financial benefit**

A hybrid employee share option pricing model was used for the Tranche 1 Executive Options and Tranche 2 Executive Options, and a Black Scholes option pricing model was used for the Tranche 3 Executive Options and the NED Options as set out in Schedule 3, with a summary for each Related Party set out in Section 4.3(i) above.

**(d) Remuneration of Related Parties**

The current total remuneration package for each of the Related Parties as at the date of this Notice is set out in Section 4.3(d) above.

**(e) Existing relevant interests**

At the date of this Notice, the Related Parties hold the following relevant interests in Equity Securities of the Company:

Related Party	Shares	Unquoted Options
David Reeves <sup>1</sup>	20,151,190	1,500,000
Mark Connelly <sup>2</sup>	776,786	100,000
John Ciganek <sup>3</sup>	66,667	133,333
Kate George	250,000	Nil

Notes:

1. Options have an exercise price of nil and expire on 27 December 2024.
2. Options have an exercise price of nil and expire on 27 December 2023.
3. Options have an exercise price of nil and expire on 4 January 2025.

Assuming that each of the resolutions which form part of Resolution 2 are approved by Shareholders, all of the Director Options are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised, the respective interests of the Related Parties in the Company would be as follows:

- (i) Mr Reeves' interest would represent approximately 5.24% of the Company's issued Share capital;
- (ii) Mr Connelly's interest would represent approximately 0.28% of the Company's issued Share capital;
- (iii) Mr Ciganek's interest would represent approximately 0.03% of the Company's expanded capital; and
- (iv) Ms George's interest would represent approximately 0.11% of the Company's expanded capital.

**(f) Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.990 per Share on 28 and 29 March 2022

Lowest: \$0.375 per Share on 28 April 2021

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.970 per Share on 5 April 2022.

**(g) Dilution**

The issue of the Director Options will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Options vest and are exercised. The potential dilution effect is summarised below:

Director Options	Dilutionary effect
Executive Options	0.25%
NED Options	0.15%

The above table assumes the current Share capital structure as at the date of this Notice (being 402,297,008 Shares on 6 April 2022) and that no Shares are issued other than the Shares issued on exercise of the Executive Options and NED Options respectively. The exercise of all of the Director Options will result in a total dilution of all other Shareholders' holdings of 0.41% (assuming that all Director Options are exercised and no Shares are issued other than the Shares issued on exercise of the Director Options). The actual dilution will depend on the extent that additional Shares are issued by the Company.

**(h) Corporate governance**

Mr Reeves is the Managing Director of the Company and therefore the Board believes that the grant of the Executive Options is in line with Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board notes that the NED Options to be issued to the non-executive Directors, Mr Connelly, Mr Ciganek and Ms George, are not performance-based, which is in line with good corporate governance protocols. The only condition attached to the NED Options is that the relevant non-executive Director must remain with the Company for a three-year period. The Board considers the grant of NED Options to the non-executive Directors reasonable in the circumstances for the reasons set out in Section 4.3(h).

(i) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Director Options (including fringe benefits tax).

(j) **Director recommendations**

The Directors, other than Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George who decline to make a recommendation to Shareholders in relation to Resolutions 2(a) to (d) (inclusive) due to their personal interest in the outcome of the Resolutions, recommend that Shareholders vote in favour of those Resolutions and has formed the view that the issue of the Director Options are not excessive nor unusual for a company of the Company's size in light of recent market practice of compensation for officers in similar positions and their importance to the ongoing business operations of the Company.

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 2(a) to (d) (inclusive).

#### **4.7 Board recommendation**

Resolutions 2(a) to (d) (inclusive) are ordinary resolutions.

The Board (other than Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George who have a personal interest in the outcome of the Resolutions) recommends that Shareholders vote in favour of Resolutions 2(a) to (d) (inclusive).

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## **5. Resolution 3 - Ratification of prior issue of Consideration Shares to Haoma**

### **5.1 General**

On 18 January 2022, the Company announced that it has a 50% interest in a new Pilbara lithium exploration company, Pirra Lithium Pty Ltd (**Pirra Lithium**). Pirra Lithium is owned equally by Calidus and Haoma Mining NL (**Haoma**), and will be assigned Tenements and Lithium Rights across the most prospective lithium ground in the Calidus and Haoma portfolios in accordance with the terms of the conditional binding agreement entered into between Calidus, Haoma, Pirra Lithium and Keras (Pilbara) Gold Pty Ltd (**Keras**) (together, the **Parties**) on 17 January 2022 (**Pirra Lithium Agreement**).

The formation of a joint venture with Haoma gives the Company a low-cost opportunity to gain exposure to an increased area of ground that has been targeted for its lithium potential. The Tenements will be initially ranked for their lithium potential. For the highest priority target areas, field mapping will be carried out immediately to determine the distribution, size, orientation, and mineralogy of the pegmatites. Particular attention will be paid to the nature of any lithium-bearing minerals (e.g., spodumene, lepidolite). A handheld laser-induced breakdown spectroscopy (LIBS) analyser will be used to confirm the presence and composition of lithium minerals during field mapping. This will enable rapid identification of the highest priority areas for drilling, and for applications for Programs of Work (PoWs) to be submitted to DMIRS and requests for heritage surveys to be submitted without delay.

Representative samples will be sent to a laboratory in Perth to provide more precise and accurate determinations of lithium concentrations. In addition, studies will be carried out to determine the department of lithium in the samples.

On 21 February 2022, the Company announced that all conditions precedent of the Pirra Lithium Agreement for the formation of Pirra Lithium are complete and on 14 March 2022, in accordance with the terms of the Pirra Lithium Agreement, the Company issued 1,461,262 Shares to Haoma under its placement capacity pursuant to Listing Rule 7.1 without the need for Shareholder approval, at a deemed issue price of \$0.684 per Share (Consideration Shares). Accordingly, no funds were raised from the issue of the Consideration Shares.

Resolution 3 seeks the approval of Shareholders to ratify the issue of the Consideration Shares under and for the purposes of Listing Rule 7.4.

## 5.2 Summary of material terms of Pirra Lithium Agreement

Completion of the transfer of the Tenements and Lithium Rights held by Haoma and Keras (Assets), as set out in Schedule 5, to Pirra Lithium is conditional upon the Parties negotiating and executing:

- (a) formal mineral rights sharing agreements to govern the grant of the Lithium Rights to Pirra Lithium; and
- (b) a joint venture and shareholders agreement in respect of Pirra Lithium, (together, the **Formal Agreements**).

If the above condition precedent is not satisfied or waived by 31 March 2022 or such later date as agreed in writing by Keras and Haoma, any Party may terminate the Pirra Lithium Agreement by written notice to each other Party.

Upon completion, the Company agrees to issue and allot that number of Shares with a total aggregate value of \$1,000,000 (the subject of this Resolution 3) based on an issue price equal to the 5 day VWAP of Shares on the ASX to Haoma (or its nominee) as compensation for previous exploration.

The Pirra Lithium Agreement contains additional provisions, including warranties and indemnities in respect of the Assets, which are considered standard for agreements of this nature.

### **5.3 Listing Rules 7.1 and 7.4**

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

Listing Rule 7.4 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 Listing Rule 7.1.

The issue of the Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as the issue of the Consideration Shares has not yet been ratified by Shareholders, it effectively uses up the Company's placement capacity under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Consideration Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 3 seeks Shareholder approval to the issue of the Consideration Shares under and for the purposes of Listing Rule 7.4.

If Resolution 3 is passed, the issue of the Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without approval over the 12-month period following the issue of the Consideration Shares.

If Resolution 3 is not passed, the issue of the Consideration Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the Consideration Shares.

### **5.4 Specific information required by Listing Rule 7.5**

Under and for the purposes of Listing Rule 7.5, the following information is provided in relation to the proposed issue of the Consideration Shares:

- (a) A total of 1,461,262 Consideration Shares were issued to Haoma (or its nominees) on 14 March 2022, none of whom are Material Investors or related parties of the Company.
- (b) The Consideration Shares issued are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (c) The Consideration Shares were issued for nil cash consideration, as compensation for previous exploration, at a deemed issue price of \$0.684 each (equivalent to \$1,000,000). Accordingly, no funds were raised from the issue.



- (d) The Consideration Shares were issued in accordance with the Pirra Lithium Agreement, a summary of the material terms of which are set out in Section 5.2 above.
- (e) A voting exclusion statement is included in the Notice.

## **5.5 Board recommendation**

Resolution 3 is an ordinary resolution.

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

## Schedule 1 - Definitions

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

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

**Applications** means any of the Keras Sale Tenements being transferred to Pirra Lithium that are, at completion of the transactions the subject of the Pirra Lithium Agreement, applications pending grant which, as at the date of the Pirra Lithium Agreement, is those tenements shown as applications in Schedule 5.

**Article** means an article of the Constitution.

**Assets** means the Tenements and Lithium Rights.

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

**Board** means the board of Directors.

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

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company or Calidus** means Calidus Resources Limited (ACN 006 640 553).

**Consideration Shares** has the meaning given in Section 5.1.

**Company Secretary** means the company secretary of the Company, Ms Julia Beckett.

**Constitution** means the constitution of the Company as at the date of the Meeting.

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

**Director** means a director of the Company.

**Director Options** means up to a total of 1,025,937 Executive Options and 622,749 NED Options to be issued to the Related Parties (or their nominees) under the Plan on the terms and conditions set out in Schedule 2, which are the subject of Resolutions 2(a) to (d) (inclusive).

**Equity Security** has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

**Executive Options** means up to 1,025,937 unquoted, zero exercise price Options to be issued to the Company's Managing Director, Mr David Reeves (or his nominees), under the Plan and on the terms and conditions set out in Schedule 2.

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

**Group** means the Company and each of its related bodies corporate (as defined by the Corporations Act).

**Haoma** means Haoma Mining NL (ACN 008 676 177).

**Haoma Tenements** means the tenements specified in Part B of Schedule 5.

**Keras** means Keras (Pilbara) Gold Pty Ltd (ACN 169 795 037).

**Keras Sale Tenements** means the tenements specified in Part A of Schedule 5, with Keras retaining the Reserved Mineral Rights of those Tenements.

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

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

**Lithium** means all lithium bearing ore located within or mined from the Lithium Rights Tenements, including associated minerals in the same ore body such as beryllium, caesium, niobium, rubidium, tantalum, tin or tungsten minerals.

**Lithium Mining Activities** means the exploration and mining for, and the handling, processing, removal and sale of, Lithium (and such other things as are incidental).

**Lithium Rights** means the full, free and exclusive right to undertake Lithium Mining Activities on the relevant Tenements set out in Schedule 5.

**Lithium Rights Tenements** means the tenements specified in Part C of Schedule 5.

**Material Investor** means in relation to the Company:

- (a) a related party;
- (b) Key Management Personnel;
- (c) a substantial Shareholder;
- (d) an advisor; or
- (e) an associate of the above,

who received Shares which constituted more than 1% of the Company's issued capital at the time of issue.

**Measurement Period** has the meaning given in Section 4.1.

**NED Options** means up to 622,749 unquoted, zero exercise price Options to be issued to the Company's Non-Executive Directors, Mr Mark Connelly, Mr John Ciganek and Ms Kate George (or their nominees), under the Plan and on the terms and conditions set out in Schedule 2

**Notice** means this notice of general meeting.

**Option** means an option to acquire a Share.

**Parties** means the Company, Haoma, Pirra Lithium and Keras for the purposes of Resolution 3.

**Pirra Lithium** means Pirra Lithium Pty Ltd (ACN 656 564 457).

**Pirra Lithium Agreement** means the conditional binding agreement entered into between the Company, Haoma, Pirra Lithium and Keras on 17 January 2022 for the transfer of the Assets to Pirra Lithium.

**Plan** means the Company's Employee Securities Incentive Plan approved by Shareholders at the Company's 2020 annual general meeting held on 3 December 2020.

**Proxy Form** means the proxy form attached to the Notice.

**Related Parties** means Mr David Reeves, Mr Mark Connelly, Mr John Ciganek and Ms Kate George for the purposes of Resolution 2.

**Reserved Minerals** means all minerals other than Lithium located within or mined from the relevant Tenements.

**Reserved Mineral Rights** means the full, free and exclusive right to exercise mineral rights in relation to the relevant Tenements in respect of and in connection with all Reserved Minerals.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

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

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

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

**Shareholder** means a shareholder of the Company.

**Tenements** means , collectively, the Haoma Tenements, the Keras Sale Tenements and the Lithium Rights Tenements, and includes:

- (a) any tenements granted from any Applications; and
- (b) any application for a tenement, and any extension, renewal, variation, conversion, amalgamation, replacement or substitution of a tenement, which is granted in respect of the whole or any part of the area of such tenements.

**Trading Day** has the meaning given in the Listing Rules.

**VWAP** means volume weighted average market price.

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

## Schedule 2 - Terms and conditions of Director Options

1. **(Entitlement):** Subject to the terms and conditions set out below, each Option, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the Company (**Share**).
2. **(Plan):** The Options are granted under the Company's Employee Securities Incentive Plan (**Plan**).

Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

3. **(Performance and Vesting Conditions):** The Options will have the following performance and vesting conditions attached to them:

Options	Tranche	Number	Performance Condition	Vesting Condition	Vesting Date	Expiry Date
Executive Options	Tranche 1 Executive Options	341,979	A positive Share price according to the performance of the Company relative to the performance of the Peer Group for the Measurement Period based on total shareholder return (TSR) over the 12 month period from 1 January 2022 to 31 December 2022 ( <b>Tranche 1 Performance Condition</b> ).	The Executive providing continuous service to the Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.	31 December 2022	31 December 2023
	Tranche 2 Executive Options	341,979	A positive Share price according to the performance of the Company relative to the performance of the Peer Group for the Measurement Period based on total shareholder return (TSR) over the 24 month period from 1 January 2022 to 31 December 2023 ( <b>Tranche 2 Performance Condition</b> ).	The Executive providing continuous service to the Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.	31 December 2023	31 December 2024
	Tranche 3 Executive Options	341,979	No Performance Condition applies.	The Executive providing continuous service to the	31 December 2023	31 December 2024

				Company and remaining employed or engaged by, the Group at all times until the end of the relevant Measurement Period.		
NED Options	Tranche 1 NED Options	115,267	N/A	The NED providing continuous service to the Company and remaining employed or engaged by, the Group at all times until 31 December 2022.	31 December 2022	31 December 2023
	Tranche 2 NED Options	220,407	N/A	The NED providing continuous service to the Company and remaining employed or engaged by, the Group at all times until 31 December 2023.	31 December 2023	31 December 2024
	Tranche 3 NED Options	287,074	N/A	The NED providing continuous service to the Company and remaining employed or engaged by, the Group at all times until 31 December 2024.	31 December 2024	31 December 2025

Where:

**Peer Group** means the list of companies set out in the table below, as adjusted by the Board in certain circumstances:

Peer Group	
Alkane Resources Limited	Ora banda Mining Limited
Aurelia Metals Limited	Pantoro Limited
Bellevue Gold Limited*	Ramelius Resources Limited
Capricorn Metals Limited	Red 5 Limited
Dacian Gold Limited	Regis Resources Limited
De Grey Mining Limited*	Silver Lake Resources Limited
Gascoyne Resources Limited	St Barbara Limited
Gold Road Limited	Westgold Resources Limited
Wiluna Mining Corporation	

\*represents Developers

**Measurement Period** means, for:

- **Tranche 1 Executive Options:** the 12 month period commencing on 1 January 2022 and ending on 31 December 2022;
- **Tranche 2 Executive Options and Tranche 3 Executive Options:** the 24 month period commencing on 1 January 2022 and ending on 31 December 2023.

4. **(Vesting):** In respect of:

(a) **Executive Options:** Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant providing continuous service to the Company and remaining employed or engaged by the Group at all times until the end of the relevant Measurement Period (see Vesting Conditions referred to in paragraph 3 above):

- (i) up to 100% of the Tranche 1 Executive Options and up to 100% of the Tranche 2 Executive Options will vest on achievement of the Tranche 1 Performance Condition and Tranche 2 Performance Condition respectively, according to the performance of the Company relative to the performance of the Peer Group for the relevant Measurement Period based on total shareholder return (TSR) as set out below:

Relative TSR for Measurement Period	Proportion of Options that will vest
Below the 25th percentile	0%
At the 25th percentile	25%
Between the 25th and 75th percentile	Pro-rata between 25% and 100%
At and above the 75th percentile	100%

The TSR calculation will be based on the volume weighted average price of the Company's fully paid ordinary shares during the 20 trading days before and including the first trading day of the Measurement Period and the 20 trading days up to and including the last trading day of the Measurement Period; and

- (ii) 100% of the Tranche 3 Executive Options will vest.

The Board will notify the holder in writing of the extent to which the Tranche 1 Executive Options and Tranche 2 Executive Options vest at the end of the relevant Measurement Period.

(b) **NED Options:** The NED Options will vest upon satisfaction of the relevant Vesting Conditions. The Company will notify the holder in writing within 14 days of becoming aware that an Option has vested by sending the holder a vesting notice.

5. **(Consideration):** The Options will be granted to the Participant (or their permitted nominee) for nil cash consideration.
6. **(Exercise Price):** The exercise price of each vested Option is nil.
7. **(Expiry Date):** Each Option will expire on the earlier to occur of:
  - (a) 5:00pm WST on the date referred to in paragraph 3; and
  - (b) the Option lapsing and being forfeited under the Plan or these terms and conditions,

**(Expiry Date).** For the avoidance of doubt any vested but unexercised Option will automatically lapse on the Expiry Date.
8. **(Exercise):** Upon vesting, each Option will, at the Participant's election, be exercisable into one Share. The Participant may apply to exercise vested Options at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).
9. **(Transfer):** The Options are not transferable.
10. **(Quotation):** No application for quotation of the Options will be made by the Company.
11. **(Participation in entitlements and bonus issues):** Subject always to the rights under items 12 and 13, holders of Options will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
12. **(Adjustment for bonus issue):** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Options held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.
13. **(Reorganisation of capital):** In the event that the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Options will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.
14. **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
15. **(Shares issued on exercise):** All Shares issued upon the exercise of Options will upon issue rank *pari passu* in all respects with the then Shares of the Company.
16. **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the



Company upon a winding up, in each case, during the currency of the Options without exercising the Options.

17. **(Timing of issue of Shares and quotation of Shares on exercise):** As soon as practicable after the issue of a Notice of Exercise by the Participant, the Company will:
  - (a) issue, allocate or cause to be transferred to the Participant the number of Shares to which the Participant is entitled under the Plan;
  - (b) issue a substitute Certificate for any remaining unexercised Options held by the Participant;
  - (c) if required and subject to paragraph 18, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - (d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.
18. **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
19. **(Leavers):** The Participant will become a "Leaver" when the Participant ceases to be an Eligible Participant (i.e. ceases employment, engagement or office with the Company or any of its subsidiaries). Where the Participant becomes a Leaver:
  - (a) all unvested Options will automatically be forfeited, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest; and
  - (b) the holder will have one month from the date they ceased to be an Eligible Participant to exercise all vested Options, at which time any remaining vested but unexercised Options will automatically be forfeited.
20. **(Change of Control Event):** If a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Options will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

### Schedule 3 - Valuation of Director Options

The Director Options to be issued to the Directors pursuant to each of the Resolutions which form Resolution 2 have been independently valued using a hybrid employee share option pricing model for the Tranche 1 Executive Options and Tranche 2 Executive Options, and a Black Scholes option pricing model for the Tranche 3 Executive Options and the NED Options based on the following assumptions:

Item	Executive Options			Non-Executive Options		
	Tranche 1	Tranche 2	Tranche 3	Tranche 1	Tranche 2	Tranche 3
Underlying security spot price	\$0.990	\$0.990	\$0.990	\$0.990	\$0.990	\$0.990
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Valuation Date	28-Mar-22	28-Mar-22	28-Mar-22	28-Mar-22	28-Mar-22	28-Mar-22
Commencement of performance period	01-Jan-22	01-Jan-22	28-Mar-22	28-Mar-22	28-Mar-22	28-Mar-22
Performance measurement date	31-Dec-22	31-Dec-23	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-24
Performance period (years)	1.00	2.00	1.76	0.76	1.76	2.76
Remaining performance period (years)	0.76	1.76	1.76	0.76	1.76	2.76
Expiry date	31-Dec-23	31-Dec-24	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-25
Life of the Options (years)	1.76	2.76	2.76	1.76	2.76	3.76
Volatility	60%	60%	60%	60%	60%	60%
Risk-free rate	1.750%	1.750%	1.750%	1.750%	1.750%	2.370%
Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil
Number of Options	341,979	341,979	341,979	115,267	220,407	287,074
Valuation per Option	\$0.887	\$0.896	\$0.990	\$0.990	\$0.990	\$0.990
Valuation per Tranche	\$303,335	\$306,413	\$338,559	\$114,114	\$218,203	\$284,203

## Schedule 4 - Summary of Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

1. **(Eligible Participant):** Eligible Participant means a person that:
  - (a) is an 'eligible participant' (as that term is defined in ASIC Class Order CO 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
  - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Purpose):** The purpose of the Plan is to:
  - (a) assist in the reward, retention and motivation of Eligible Participants;
  - (b) link the reward of Eligible Participants to Shareholder value creation; and
  - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose

of hedging their economic exposure to a Convertible Security that has been granted to them.

7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and

in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
  12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
  13. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
  - (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
  15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in

any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

17. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant

## Schedule 5 - Tenements and Lithium Rights

### Part A - Keras Sale Tenements

Tenement ID	Holder	Size (Ha)	Renewal	Ownership / interest
E46/1421	Keras (Pilbara) Gold Pty Ltd	16,551.70	Application	100%
E45/5747	Keras (Pilbara) Gold Pty Ltd	3,826.11	15/12/26	100%
E45/5748	Keras (Pilbara) Gold Pty Ltd	5,111.83	15/12/26	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	1,594.27	20/5/23	100%

### Part B - Haoma Tenements

Tenement ID	Holder	Size (Ha)	Renewal	Ownership / interest
E45/4586	Haoma Mining NL	1,889	03/07/2022	100%
E45/4587	Haoma Mining NL	956	03/07/2022	100%
E45/5846	Haoma Mining NL	7,962	Application	100%
E45/5834	Haoma Mining NL	13,705	Application	100%
E45/5938	Haoma Mining NL	13,751	Application	100%
E45/5835	Haoma Mining NL	638	Application	100%
E45/5944	Haoma Mining NL	12,147	Application	100%
E45/6054	Haoma Mining NL	4,782	Application	100%
P45/2974	Haoma Mining NL	127.11	22/09/2019 (extended)	100%
P45 2975	Haoma Mining NL	158.37	22/09/2019 (extended)	100%
P45/2973	Haoma Mining NL	95.16	22/09/2019 (extended)	100%

## Part C - Lithium Rights Tenements

Tenement ID	Holder	Size (Ha)	Renewal	Ownership / interest
E45/3381	Keras (Pilbara) Gold Pty Ltd	7,802.45	16/03/2023	100%
E45/3615	Keras (Pilbara) Gold Pty Ltd	1,594.62	22/11/2020	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	956.69	19/10/2024	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,915.22	01/03/2022	100%
E45/4622	Keras (Pilbara) Gold Pty Ltd	4,216.80	04/05/2022	100%
E45/4857	Keras (Pilbara) Gold Pty Ltd	1,275.37	20/05/2023	100%
E45/4905	Keras (Pilbara) Gold Pty Ltd	638.00	29/11/2022	100%
E45/4906	Keras (Pilbara) Gold Pty Ltd	319.00	29/11/2022	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,291.17	30/05/2024	100%



If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (AWST) on Wednesday, 11 May 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>



Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.

## SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

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

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

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.



