

14 April 2022

Dear Shareholders,

IMPACT OF COVID-19 RESTRICTIONS ON THE COMPANY'S ANNUAL GENERAL MEETING

The annual general meeting is scheduled to be held on Monday, 16 May 2022 at 10.00am (WST) (**Meeting**). However, in light of the status of the evolving COVID-19 situation and Government restrictions on public gatherings in place at the time of the Meeting, the Directors have made a decision that Shareholders will not be able to attend the Meeting in person. The Company invites shareholders to attend and participate in a virtual Meeting through an online meeting platform provided by Advanced Share (**Virtual Meeting**).

Shareholders who attend the Virtual Meeting will be able to watch, listen, ask questions and participate in all poll votes put to the Meeting.

The Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has previously requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below.

<https://www.torianresources.com.au/announcements>

Alternatively, a complete copy of the important Meeting documents has been posted on the Company's ASX market announcements page (ASX: TNR).

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting by shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions set out below.

Venue – Virtual Meeting

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), you will be sent a Meeting ID & Shareholder ID in advance for the virtual Meeting here:

<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>

Shareholders who do not have a Meeting ID and Shareholder ID are strongly encouraged to contact Advanced Share Registry as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting.

The Company encourages shareholders to submit their votes and questions in advance of the Meeting as this will provide management with the best opportunity to prepare for the meeting, for example in preparing answers to members questions.

Questions must be submitted in writing to Leonard Math, Company Secretary at leonard.math@torianresources.com.au at least 48 hours before the Meeting.

However, votes and questions may also be submitted during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

All questions will be submitted to the Chair, who will then direct them to be answered by the most appropriate member of management during the Meeting.

Voting online on the day of the Virtual Meeting

Shareholders who wish to vote virtually on the day of the Meeting will need to login to the [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>] website with their Meeting ID and Shareholder ID.

Shareholders who do not have a Meeting ID and Shareholder ID with [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>] are strongly encouraged to contact Advanced Share Registry **as soon as possible and well in advance** of the Meeting to avoid any delays on the day of the Meeting.

I have a Meeting ID and Shareholder ID, what are the next steps?

Shareholders who have a Meeting ID and Shareholder ID are advised to take the following steps to attend and vote virtually on the day of the Meeting:

1. Open your internet browser and go to [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>]
2. Login with your Meeting ID and Shareholder ID and click "Login"
3. Click on the URL to join the webcast where you can participate in the Meeting by viewing, listening and asking questions
4. Once the Chair has declared the poll open for voting click on "Polling TAB" to be taken to the voting screen
5. Select your voting direction and click "confirm" to submit your vote. **Note that you will not be able to amend your vote after it has been submitted**

Further information and support on how to use the platform is available by calling Advanced Share Registry. It is recommended that you register to use the registry website well in advance of the Meeting to save time on the day of the Meeting. Should you have any difficulties, you can contact the registry by telephone on **1300 113 258** (within Australia) and **+61 8 9389 8033** (overseas).

Voting by proxy

Shareholders who wish to participate at the Meeting are strongly encouraged to complete and submit their proxies as early as possible.

To vote by proxy:

1. please lodge the Proxy Form online at <https://advancedshare.com.au/investor-login> by following the below instructions:
Login to the Advanced Share website using the holding details as shown on the Proxy Form. Click on 'Vote Lodgement' – 'Details', Lodge Proxy Now. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form; or
2. 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.

Further details of any teleconference or online meeting facilities, including detailed instructions on how to access such facilities, will be made available to Shareholders on the Company's website at www.torianresources.com.au and the ASX Company's Announcement Platform at asx.com.au (ASX: TNR) prior to the Meeting.

This release was authorised by the Board of Torian Resources Limited.

Yours sincerely,



Leonard Math

Company Secretary

E: leonard.math@torianresources.com.au



ACN 002 261 565

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10.00am (WST)

DATE: 16 May 2022

PLACE: The Company is pleased to provide Shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by:

<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>

where Shareholders will be able to watch, listen and vote online.

Details on how to access the virtual Meeting are set out in this Notice

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

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

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

Based on the information available at the date of the Notice of Annual General Meeting, the Board considers that it is appropriate to hold a virtual meeting. Shareholders will be able to attend the meeting online at the following link:

<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>

Shareholders who attend online will have the opportunity to vote, ask questions and make comments in real time.

Whilst Shareholders will be able to attend and participate in the meeting online, the Company strongly encourages you to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice of Annual General Meeting.

As permitted by the Corporations Act, the Company will not be sending hard copies of the Notice of Annual General Meeting to Shareholders unless the Shareholder has made a valid election to receive documents in hard copy. Instead, Shareholders can access a copy of the Notice at the following link:

<https://www.torianresources.com.au/announcements>

How Shareholders Can Participate

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Annual General Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10.00am (WST) on 14 May 2022.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at ***leonard.math@torianresources.com.au***. Responses will be provided at the Meeting in respect of all valid questions received prior to 5.00pm (WST) on 13 May 2022. Shareholders who physically attend the Meeting, will also have the opportunity to submit questions during the Meeting.

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

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at: <https://www.torianresources.com.au/announcements>.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), will be sent a Meeting ID & Shareholder ID in advance for the virtual Meeting here:

<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>

Shareholders will be able to vote and ask questions at the virtual Meeting. Shareholders are also encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted in writing to Leonard Math, Company Secretary at **leonard.math@torianresources.com.au** at least 48 hours before the Meeting.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 13 May 2022.

VOTING VIRTUALLY

Shareholders who wish to vote virtually on the day of the Meeting will need to login to the [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>] website with their Meeting ID and Shareholder ID.

Shareholders who do not have a Meeting ID and Shareholder ID with [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>] are strongly encouraged to contact Advanced Share Registry **as soon as possible and well in advance** of the Meeting to avoid any delays on the day of the Meeting.

I have a Meeting ID and Shareholder ID, what are the next steps?

Shareholders who have a Meeting ID and Shareholder ID are advised to take the following steps to attend and vote virtually on the day of the Meeting:

- Open your internet browser and go to [<https://www.advancedshare.com.au/Dashboard/Virtual-Meeting-Centre-Login>]
- Login with your Meeting ID and Shareholder ID and click “**Login**”
- Click on the URL to join the webcast where you can participate in the Meeting by viewing, listening and asking questions
- Once the Chair has declared the poll open for voting click on “**Polling TAB**” to be taken to the voting screen
- Select your voting direction and click “**confirm**” to submit your vote. **Note that you will not be able to amend your vote after it has been submitted**

Further information and support on how to use the platform is available by calling Advanced Share Registry. It is recommended that you register to use the registry website well in advance of the Meeting to save time on the day of the Meeting. Should you have any difficulties, you can contact the registry by telephone on **1300 113 258** (within Australia) and **+61 8 9389 8033** (overseas).

VOTING BY PROXY

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

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

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

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

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of the Shareholders of Torian Resources Limited (ACN 002 261 565) (**Torian** or the **Company**) will be held at virtually on 16 May 2022, commencing at 10.00am (WST) to consider, and if thought fit, to pass the Resolutions set out below.

Terms used in this Notice of Annual General Meeting and accompanying Explanatory Statement are defined in the glossary to this document.

The Explanatory Statement which accompanies and forms part of this Notice of Annual General Meeting describes the matters to be considered at the Annual General Meeting.

AGENDA

1. ANNUAL FINANCIAL REPORT

To receive and consider the Annual Financial Report of the Company and its controlled entities for the year ended 31 December 2021 which includes the Financial Report, the Directors' and Auditor's Reports.

Note: there is no requirement for Shareholders to approve these reports.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

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

That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 31 December 2021.

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

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by, or on behalf of, any member of the Key Management Personnel of the Company whose remuneration is included in the Remuneration Report, or a closely related party of such member. However, the Company will not disregard any votes cast on Resolution 1 by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected with the remuneration of the Key Management Personnel of the Company.

If you are a member of the Key Management Personnel of the Company or a closely related party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2 - RE-ELECTION OF DALE SCHULTZ AS DIRECTOR

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

That Mr. Dale Schultz, who retires as a Director of Torian Resources Limited, pursuant to article 13.2 of the Company's Constitution and ASX Listing Rule 14.4,

and being eligible, offers himself for re-election, is re-elected as a Director of the Company.

4. RESOLUTION 3 - ADDITIONAL 10% PLACEMENT CAPACITY

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

That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve giving the Company an additional ten percent (10%) capacity at the time of issue, to issue Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

5. RESOLUTION 4 – CHANGE OF COMPANY NAME

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

That, for the purposes of section 157(1)(a) of the Corporations Act, and for all other purposes, the name of the Company be changed from 'Torian Resources Limited' to 'Asra Minerals Limited', with effect from the date that ASIC alters the details of the Company's registration.

6. RESOLUTION 5 – REPLACEMENT OF CONSTITUTION

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

That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new Constitution in its place in the form as signed by the Chair of the Meeting for identification purposes.

7. RESOLUTION 6 – REPLACEMENT OF LONG-TERM INCENTIVE PLAN

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

That, for the purpose of ASX Listing Rule 7.2 Exception 13(b), section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve the Long-Term Incentive Plan, a summary of which is set out in Schedule 2 accompanying this Notice of Annual General Meeting, and the issue of up to 66,998,791 Equity Securities thereunder, until 15 May 2025, as an exception to ASX Listing Rule 7.1.

Voting Exclusion: A voting exclusion statement for this Resolution is as follows:

ASX Listing Rules

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the Long-Term Incentive Plan, or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Corporations Act

In accordance with section 224 the Corporations Act, a vote must not be cast on Resolution 6 by or on behalf of Paul Summers, Peretz Schapiro and/or either of their Associates. However, this does not prevent the casting of a vote on Resolution 6 if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Paul Summers, Peretz Schapiro or either of their Associates. Where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 6 by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a Key Management Personnel if the Key Management Personnel is the Chair of the Meeting acting as proxy and their appointment expressly authorised the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

8. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO PAUL SUMMERS

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

That, subject to and conditional upon the passing of Resolution 6 and for the purposes of ASX Listing Rules 10.14, 10.19, sections 195(4), 200B, 200E and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 9,000,000 Performance Rights under the Long-Term Incentive Plan to Paul Summers or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

Voting Exclusion: a voting exclusion statement for this Resolution is provided after Resolution 8.

9. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO PERETZ SCHAPIRO

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

That, subject to and conditional upon the passing of Resolution 6 and for the purposes of ASX Listing Rules 10.14, 10.19, sections 195(4), 200B, 200E and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 9,000,000 Performance Rights under the Long-Term Incentive Plan to Peretz Schapiro or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

VOTING EXCLUSION STATEMENT FOR RESOLUTIONS 7 AND 8

ASX Listing Rules

The Company will disregard any votes cast in favour of Resolutions 7 and 8 by or on behalf of:

- (a) a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Long-Term Incentive Plan;
- (b) an officer of the Company or any of its child entities who is entitled to participate in a termination benefit; and
- (c) any Associate of a person in (a) or (b) above.

However, the Company need not disregard a vote if:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolutions 7 and 8 in accordance with the directions given to the proxy or attorney to vote on Resolutions 7 and 8 in that way; or
- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on Resolutions 7 and 8 in accordance with a direction given to the Chair to vote on Resolutions 7 and 8 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 Resolutions 7 and 8; and
 - (ii) the holder votes on Resolutions 7 and 8 in accordance with directions given by the beneficiary to the holder to vote in that way.

Corporations Act

In accordance with section 224 of Corporations Act, a vote on Resolutions 7 and 8 must not be cast by or on behalf of those persons set out in the table below:

Resolution	Excluded Persons
Resolution 7	Paul Summers or his Associates.
Resolution 8	Peretz Schapiro or his Associates.

However, this does not prevent the casting of a vote on Resolutions 7 and 8 if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolutions and it is not cast on behalf of a person referred to in the table above. Where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, vote must not be cast on Resolutions 7 and 8 by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a Key Management Personnel if the Key Management Personnel is the Chair of the Meeting acting as proxy and their appointment expressly authorised the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

10. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BULLIONFX

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 27,711,968 Shares to BullionFX Limited, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

11. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,000,000 Options to Kitceto Pty Ltd and Carraway Corporate Pty Ltd, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

12. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Options to GBA Capital, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

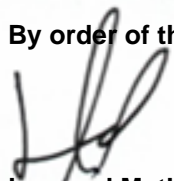
- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in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

13. OTHER BUSINESS

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

Dated: 14 April 2022

By order of the Board



Leonard Math
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting to be held virtually at 10.00am (WST) on 16 May 2022.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Annual General Meeting, please contact the Company Secretary, your accountant, solicitor, stockbroker or other professional advisor before voting.

1. FINANCIAL STATEMENT AND REPORTS - YEAR END 31 DECEMBER 2021

To receive and consider the annual financial statements, the directors' report and the audit report of Torian for the year ended 31 December 2021.

Note: there is no requirement for Shareholders to approve these reports.

EXPLANATORY STATEMENT

The Corporations Act requires the annual financial report, directors' report and the auditor's report (**Annual Financial Statements**) be received and considered at the Annual General Meeting.

Section 317 of the Corporations Act requires the directors to lay before the Annual General Meeting the Annual Financial Statements for the last financial year ended 31 December 2021.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

The Company's auditor, BDO Audit Pty Ltd, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

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

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 13 May 2022 to the Company Secretary at leonard.math@torianresources.com.au.

2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

2.1 Background

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for

the year ended 31 December 2021 (the **Remuneration Report**). The Remuneration Report is a distinct section of the annual directors' report (**Directors' Report**) which deals with the remuneration of Directors, executives and senior managers of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's Annual Financial Statement. By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 31 December 2021.

The remuneration levels for Directors, executives and senior managers are competitively set to attract and retain appropriate Directors and key management personnel.

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

2.2 Regulatory Requirements

The Corporations Act provides that Resolution 1 need only be an advisory vote of Shareholders and does not bind the Directors. However, the Corporations Act provides that if the Company's Remuneration Report resolution receives a "no" vote of 25% or more of votes cast at the Annual General Meeting, the Company's subsequent Remuneration Report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% "no" vote.

In addition, sections 250U and 250V of the Corporations Act sets out a "two strikes" re-election process, pursuant to which:

- (a) if, at a subsequent annual general meeting (**Later Annual General Meeting**), at least 25% of the votes cast on a resolution that the remuneration report be adopted are against the adoption of that remuneration report;
- (b) at the immediately preceding annual general meeting (**Earlier Annual General Meeting**), at least 25% of the votes cast on a resolution that the remuneration report be adopted were against the adoption of that remuneration report; and
- (c) a resolution was not put to the vote at the Earlier Annual General Meeting under an earlier application of section 250V of the Corporations Act,

then the Company must put to vote at the Later Annual General Meeting a resolution, requiring Shareholders to vote on whether the Company must hold another general meeting (**Spill Meeting**) to consider the appointment of all of the Directors at the time the Directors' Report was approved by the Board who must stand for re-appointment (other than the Managing Director) (**Spill Resolution**). The Spill Resolution may be passed as an ordinary resolution.

If the Spill Resolution is passed, the Spill Meeting must be held within 90 days after the Spill Resolution is passed. All of the Company's Directors who were Directors at the time when the resolution to make the Directors' Report was passed cease to hold office immediately before the end the Spill Meeting and may stand for re-election at the Spill Meeting.

At the Company's 2021 annual general meeting, less than 25% of the eligible votes cast in respect of the 2020 Remuneration Report were cast against the adoption of the 2020 Remuneration Report. Accordingly, a Spill Resolution will not be put to the Meeting even if 25% or more of the votes cast in respect of the 2020 Remuneration Report are against the adoption of the 2020 Remuneration Report.

3. **RESOLUTION 2 - RE-ELECTION OF DALE SCHULTZ AS DIRECTOR**

In accordance with Listing Rule 14.5 and article 13.2 of the Company's Constitution, at every annual general meeting an election of Directors must take place. Listing Rule 14.4 prevents a Director from holding office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer.

For this reason, Mr Dale Schultz retires by way of rotation and, being eligible, offers himself for re-election as a Director.

3.1 **Mr Dale Schultz - Non-Executive Director**

Mr Dale Schultz has over 30 years of experience in the mining and exploration industry in North and South America. Mr Schultz has a M.Sc. from the University of Saskatchewan and is a registered Professional Geoscientist in the provinces of Manitoba and Saskatchewan.

Over the years, Mr Schultz has been the Qualified Person for a number of projects including Solex Resources' Pilunani and Macusani projects in Peru, Channel Resources' El Mozo project in Central Ecuador, Aurelians' Bonza-Penus resource campaign on the Condor Project in Central Ecuador, Majescors' Douvray porphyry copper-gold project in Haiti, Nova Mineral's Estelle project and spent time at Battle Mountains' Kori Kollo mine in Bolivia.

Mr Schultz has also extensive experience in a number of other gold mining operations in Canada, and brings with him invaluable experience ranging from initial exploration stages through to underground and open pit mine production of large gold systems.

3.2 **Board Recommendation**

The Directors (other than Mr Schultz) unanimously recommend that Shareholders vote in favour of Resolution 2.

4. **RESOLUTION 3 - ADDITIONAL 10% PLACEMENT CAPACITY**

4.1 **Background**

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's annual general meeting. The Company is an eligible entity as at the time of this Notice of Annual General Meeting and is expected to be an eligible entity as at the time of the Annual General Meeting.

Resolution 3 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility.

If Resolution 3 is passed the exact number of Equity Securities that the Company may issue under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(d) of this Notice of Annual General Meeting below). The Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the Additional 10% Placement Facility to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

4.2 Regulatory Requirements

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

(a) Issue Period

If Shareholders approve Resolution 3, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- (i) the date that is 12 months after the date of the Annual General Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the **Additional 10% Placement Period**).

The Company will only issue and allot Equity Securities during the Additional 10% Placement Period.

(b) Minimum Issue Price

Equity securities issued under the Additional 10% Placement Facility must be in the same class as an existing class of quoted Equity Securities of the Company. As at the date of this Notice of Annual General Meeting, the Company has on issue two classes of quoted Equity Securities, Shares and Listed Options.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were conducted immediately before:

- (i) the date on which the Equity Securities are issued; or
- (ii) the date on which the price of Equity Securities is agreed, provided that the issue is thereafter completed within 10 trading days.

(c) Purpose of Issues

The Company may seek to issue the Equity Securities to raise funds in connection with continued exploration and feasibility study expenditure on the Company's current assets and / or general working capital.

The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.3.

(d) Dilution

As at the date of this Notice of Annual General Meeting, the Company has 1,339,975,820 Shares on issue. Accordingly, if Shareholders approve Resolution 3, the Company will have the capacity to issue approximately 133,997,582 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

(A x D) – E

- A =** the number of fully paid ordinary securities on issue at the commencement of the relevant period,:
- (i) plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
 - (ii) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4,
 - (iii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 7.4,
 - (iv) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or 7.4,
 - (v) plus the number of partly paid ordinary securities that became fully paid in the relevant period,
 - (vi) less the number of fully paid ordinary securities cancelled in the relevant period;
- D =** 10%
- E =** the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4; and
- “relevant period” is the 12 months immediately preceding the date of the issue or agreement.

If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Options that are quoted, only if those Options are exercised). There is a risk that:

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

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Annual General Meeting.

The table also shows:

- (i) two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as

a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable Number of Shares on Issue	"A" of on	Dilution			
		Issue Price (per Share)	0.013 50% decrease in Issue Price	0.026 Issue Price	0.039 50% Increase in Issue Price
1,339,975,820 (Current number of Shares on Issue)	10% Voting Dilution		133,997,582 Shares	133,997,582 Shares	133,997,582 Shares
	Funds Raised		\$1,741,968	\$3,483,937	\$5,225,905
2,009,963,730 (50% increase in Shares on Issue)	10% Voting Dilution		200,996,373 Shares	200,996,373 Shares	200,996,373 Shares
	Funds Raised		\$2,612,952	\$5,225,905	\$7,838,858
2,679,951,640 (100% increase in Shares on Issue)	10% Voting Dilution		267,995,164 Shares	267,995,164 Shares	267,995,164 Shares
	Funds Raised		\$3,483,937	\$6,967,874	\$10,451,811

The table has been prepared on the following assumptions:

- (i) Variable A is 1,339,975,820 being the number of ordinary securities on issue at the date of this Notice of Annual General Meeting.
- (ii) The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
- (iii) No Options (including any Listed Options issued under the Additional 10% Placement Facility) or Performance Rights are exercised into Shares before the date of issue of the Equity Securities.
- (iv) The Company has not issued any other Equity Securities using its placement capacity under Listing Rule 7.1 or 7.1A in the 12 months preceding this Notice of Annual General Meeting.
- (v) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement

Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- (vii) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (viii) The issue of Equity Securities under the Additional 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (ix) The issue price is \$0.026, being the closing price of the Shares on ASX on 6 April 2022, being the last trading day before the date of this Notice of Annual General Meeting was prepared.

(e) **Allocation Policy**

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

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

The persons to whom the Company will issue Equity Securities under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and / or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the persons to whom the Company will Equity Securities under the 10% Placement Facility will be the vendors of the new resources assets or investments.

(f) **Previous issued of Equity Securities under Listing Rule 7.1A**

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2021 Annual General Meeting held on 31 May 2021.

In the 12 months preceding this Notice of Annual General Meeting, the Company has issued 38,181,817 Equity Securities under Listing Rule 7.1A which represents 4.39% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of the Equity Securities issued in the 12 month period are outlined in Schedule 1 to this Notice of Annual General Meeting.

(g) **Voting exclusion statement**

No voting exclusion statement applies to Resolution 3.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

4.3 Board Recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 3.

5. RESOLUTION 4 – CHANGE OF COMPANY NAME

5.1 Background

Resolution 4 seeks approval for the Company to change its name from 'Torian Resources Limited' to 'Asra Minerals Limited'.

Pursuant to section 157(1)(a) of the Corporations Act, the Company may change its name by special resolution, which requires the approval of 75% of the Shareholders attending and entitled to vote at the Meeting.

This change will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

Resolution 4 will take effect when ASIC alters the details of the Company's registration.

The Company has reserved the name 'Asra Minerals Limited' with ASIC. The Company has also reserved the ASX Code 'ASR' to take effect following the change of name.

5.2 Board Recommendation

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

6. RESOLUTION 5 – REPLACEMENT OF CONSTITUTION

6.1 Background

A company may modify or repeal its Constitution or a provision of its Constitution by special resolution of Shareholders.

Resolution 5 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new Constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by Shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

The Directors believe that it is more efficient in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The proposed changes are aimed at addressing certain changes to the ASX Listing Rules, which require listed entities with restricted securities on issue to include certain provisions in their constitutions. Notwithstanding that the Company does not currently have any restricted securities on issue, the Company seeks to update the Constitution to incorporate this change to the ASX Listing Rules.

The proposed changes are also aimed at addressing certain changes to the Corporations Act, which permit companies to hold physical, virtual or hybrid general meetings. Recent changes to the Corporations Act require companies that seek to hold virtual general meetings to expressly provide for this in their constitutions. The Company seeks to update the Constitution to incorporate this change to the Corporations Act to permit it to hold virtual general meetings if necessary in the future.

The proposed changes address other changes to the Corporations Act with respect to the electronic provision of documents to members and voting requirements of listed companies. The Corporations Act now permits companies to send meeting-related documents to members by sending the member sufficient information in electronic form to allow the member to access the document electronically. Separately, other changes to the Corporations Act require certain resolutions put to a vote at general meeting to be decided on a poll. The

Company seeks to update the Constitution to incorporate these changes to the Corporations Act.

The proposed changes also address proposed changes to the ASX CHESS System which is due to be replaced in April 2023 (**CHESS Replacement**). As part of the CHESS Replacement, the new system will permit companies to register up to four joint holders per share, whereas currently the system only permits up to three joint holders. Despite this systematic change, ASX has not proposed any change to the ASX Settlement Operating Rules (**ASXSOR**) in this regard. Pursuant to the ASXSOR, a participant must not establish a joint holding with more than three holders unless permitted by an issuer's constitution. The Company seeks to update the Constitution to permit up to four joint holders per share to avoid the practical challenge of monitoring compliance with the Constitution once the CHESS Replacement has occurred.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed amendments is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website (<https://www.torianresources.com.au/corporate-governance>) and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (info@torianresources.com.au).

Shareholders are invited to contact the Company if they have any queries or concerns.

6.2 Adoption of proportional takeover rules (amended Article 9)

The Proposed Constitution contains Article 9 that enables the Company to refuse to register Shares acquired under a proportional takeover bid unless approved by a resolution of Shareholders. Provisions such as these require specific information to be provided to Shareholders at the time the provisions are adopted. This information is set out below.

A proportional takeover bid includes a bidder offering to buy a proportion only of each Shareholder's Shares in the Company. This means that control of the Company may pass without members having the chance to sell all of their Shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its Constitution that:

- (a) in the event of a proportional takeover bid being made for Shares in the Company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- (b) the majority decision of the Company's members will be binding on all individual members.

The Directors consider that members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without members being given the opportunity to dispose of all of their Shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid members feeling pressured to accept the bid even if they do not want it to succeed.

The effect of Article 9 of the Proposed Constitution is that, if a proportional takeover offer is received, the Directors are required to convene a Meeting of Shareholders to vote on a resolution to approve the proportional bid. Each security holder affected will be entitled to vote (except for the bidder and persons associated with the bidder, who may not vote). Approval of the bid will require a simple majority of the votes cast. The Meeting must be held at least 14 days before the bid closes so that holders know the result of the voting before they have to make up their minds whether or not to accept for their own securities.

If the proportional bid is not approved, the registration of any transfer of Shares resulting from an offer made under the proportional bid will be prohibited and the bid will be deemed to be withdrawn. If the proportional bid is approved, the transfers will be registered, provided they

comply with the other provisions of the Corporations Act and the Company's Proposed Constitution.

The bid will be taken to have been approved if the resolution is not voted on within the deadline specified under the Corporations Act.

The provisions of Article 9 do not apply to takeover bids for the whole of the issued Shares in the Company.

The proportional takeover approval provisions under Article 9 will cease to apply at the end of 3 years (or longer if it is subsequently renewed by a further resolution of Shareholders).

The reasons why the Board has proposed that the Proposed Constitution should provide for a Shareholder Resolution on proportional takeover bids are set out below as the advantages of the provisions. Each of the Directors consider that these advantages outweigh the disadvantages stated below.

The Board considers that Shareholders should have the power to prevent the control of the Company from passing to a bidder without it making a bid for all the Shares. They believe that the resolution requirement is the best procedure available to Shareholders to ensure that they are not forced to accept a proportional offer even though they do not wish the bidder to obtain control of the Company.

Without Article 9, a proportional takeover bid may enable control of the Company to be acquired without Shareholders having an opportunity to dispose of all their Shares to the bidder. Shareholders therefore risk holding a minority interest in the Company. If the Shareholders considered that control of the Company was likely to pass under any takeover bid, they could be placed under pressure to accept the offer even if they do not want control of the Company to pass to the bidder. The proposed Article 9 will prevent this by permitting Shareholders in General Meeting to decide whether a proportional takeover bid should be permitted to proceed.

While the inclusion of Article 9 will allow the Directors to ascertain members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

The potential advantages of the proposed proportional takeover approval provisions for Shareholders are that:

- (a) they give Shareholders their own say in determining, by a majority vote, whether a proportional takeover bid should proceed;
- (b) they enable Shareholders, by combining together, to veto a change of control that would lock them into a minority position;
- (c) the existence of the resolution requirement in the Proposed Constitution would make it more probable that any takeover bid will be a full bid for the whole Shareholding of each member, so that Shareholders may have the opportunity of disposing of all their Shares rather than of a proportion only;
- (d) if a proportional takeover bid should be made, the existence of the resolution requirement will make it more probable that a bidder will set its offer price at a level that will be attractive to the Shareholders who vote;
- (e) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid, and whether to accept or reject offers made under that bid; and
- (f) at present it is only the Directors who express on behalf of the Company any formal view on the adequacy or otherwise of a takeover bid. With the resolution requirement, the most effective view on a proportional takeover bid will become the view expressed by the vote of the Shareholders themselves at general meeting.

The potential disadvantages of the proposed proportional takeover approval provisions for Shareholders are that:

- (a) proportional takeover bids may be discouraged, reducing the speculative element in the market price of the Company's Shares arising from the possibility of a takeover offer being made;
- (b) an individual Shareholder who wishes to accept a proportional takeover bid will be unable to sell to the bidder unless a majority of Shareholders favour the proportional takeover bid; and
- (c) the inclusion of the provisions may be considered to constitute an unwarranted additional restriction on the ability of Shareholders to freely deal with their Shares.

Advantages and disadvantages of the proposal for the Directors are that:

- (a) if the Directors consider that a proportional takeover bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company if the bidder needs a majority of the votes cast by the independent Shareholders before it can succeed; and
- (b) on the other hand, under the proportional takeover approval provisions, if a proportional takeover bid is commenced, the Directors must call a Meeting to seek the Shareholders' views, even though the Directors believe that the bid should be accepted.

As at the date of this Notice of Annual General Meeting, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

6.3 Adoption of virtual meeting provisions (amended Article 10)

The Proposed Constitution contains amended Article 10 that enables the Company to hold general meetings physically, virtually or using a hybrid structure. Where the Company holds a virtual or hybrid general meeting using virtual meeting technology, Article 10 requires that the members as a whole are allowed a reasonable opportunity to participate in the meeting, both orally and in writing.

6.4 Amendment to notice provisions (amended Article 21)

The Proposed Constitution contains amended Article 21 that enables the Company to send documents to members by sending members sufficient information in electronic form to allow them to access the document electronically. For example, the Company will be enabled to send emails to members containing an electronic link to the document, rather than attaching the document directly to an email. This is practical when the Company does not wish to send the document by post and the file size of the document is too large to send by email or other electronic means.

6.5 Amendment to voting provisions (amended Article 11.14)

The Proposed Constitution contains amended Article 11.14 which requires the Company, if listed on the ASX, to decide certain resolutions at general meeting by poll rather than a show of hands. This applies where a resolution has been proposed in a notice of meeting; if the company has given notice of a members' resolution in accordance with section 249O of the Corporations Act or if a poll is demanded and the demand is not withdrawn. If the Company is not listed or if these circumstances do not apply (e.g. procedural resolutions), voting must be conducted by a show of hands.

6.6 Amendment to joint holder provisions (amended Article 2.5)

The Proposed Constitution contains amended Article 2.5 which permits the Company to register up to four joint holders per share, provided the prescribed CS Facility has the requisite functionality and the operating rules of the CS Facility permit it to occur. As stated above, this proposed change is to reflect systematic changes included in the CHES Replacement whereby the new system will permit registration of up to four joint holders per share. Despite this systematic change, the ASXSOR will continue to require the issuer's constitution to permit the registration of a joint holding of more than three people. The purpose of this amendment is for the Company to avoid the practical challenge of monitoring compliance with the Constitution once the CHES Replacement has occurred.

6.7 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

If this Resolution is approved, the Proposed Constitution will be adopted with effect from the close of the Meeting.

7. RESOLUTION 6 - REPLACEMENT OF LONG-TERM INCENTIVE PLAN

7.1 Background

The Board considered that it was desirable to replace the existing employee equity incentive plan for the purpose of adopting a new employee equity incentive plan which offered employees the opportunity to be granted both performance rights (**Performance Rights**) or options (**Options**) to acquire Shares in the Company.

The purpose of the Long-Term Incentive Plan (**LTIP**) is to:

- (a) reward employees of the Company;
- (b) assist in the retention and motivation of employees of the Company;
- (c) provide an incentive to employees of the Company to grow shareholder value by providing them with an opportunity to receive an ownership interest in the Company; and
- (d) create flexibility in the hands of the Company to issue both Performance Rights and Options under the LTIP.

The Board is seeking shareholder approval for the LTIP in accordance with the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

In addition, approval is sought under Listing Rule 7.2 (Exception 13(b)) which provides an exemption from the Listing Rule 7.1 15% annual limit on securities issued under an employee share incentive scheme provided, within three years before the date of issue, shareholders have approved the issue of securities under the plan. In the absence of such approval, the issue can still occur but is counted as part of the Listing Rule 7.1 15% limit which would otherwise apply during a 12 month period.

If Resolution 6 is passed, the Company will be able to issue Equity Securities under the LTIP to eligible participants over a period of three years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period (known as the Company's "placement capacity").

If Resolution 6 is not passed, the Company will be able to proceed with the issue of Equity Securities under the LTIP to eligible participants, but any issues will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the securities.

7.2 Regulatory Requirements – Listing Rules

The following information is provided to Shareholders for the purpose of Listing Rule 7.2 Exception 13(b):

- (a) a summary of the terms of the LTIP is set out in Schedule 2;
- (b) the Company has previously issued the following securities under the Company's existing employee incentive plan since the date of the last approval on 31 May 2021:

Date of Issue	Number and nature of security issued
29 June 2021	3,600,000 aggregate Class A Performance Rights to Paul Summers and Peretz Schapiro
29 June 2021	5,400,000 aggregate Class B Performance Rights to Paul Summers and Peretz Schapiro

- (c) the maximum number of Equity Securities proposed to be issued under the LTIP following approval is 66,998,791; and
- (d) a voting exclusion statement for Resolution 6 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

7.3 Regulatory Requirements – Section 195(4) Corporations Act

Two of the Company's three directors have a material personal interest in the outcome of Resolution 6 in this Notice of Annual General Meeting. This is by virtue of the fact that Resolutions 7 and 8 are conditional on Resolution 6 being passed and Resolutions 7 and 8 are concerned with the issue of Performance Rights to those Directors.

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered.

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of this Resolution. The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

7.4 Board Recommendation

The Board does not consider that, from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in replacing the LTIP pursuant to Resolution 6.

Messrs Summers and Schapiro decline to make a recommendation to Shareholders in relation to Resolution 6 due to their material personal interest in the outcome of the Resolution. This is on the basis that the issue of Performance Rights to Messrs Summers and Schapiro under Resolutions 7 and 8 is conditional on Resolution 6 being passed.

The remaining Board member, Mr Dale Schultz, recommends that Shareholders vote in favour of Resolution 6 on the basis that replacing the LTIP will allow the Company to adequately reward and incentivise its Key Management Personnel through the issue of both Performance Rights and Options whilst preserving the Company's cash reserves.

8. RESOLUTIONS 7 AND 8 – ISSUE OF PERFORMANCE RIGHTS

8.1 Background

Shareholders are being asked to approve Resolutions 7 and 8 to allow Performance Rights that may vest under the LTIP to be issued to the Executive Directors (**Performance Rights**) as set out below. Resolutions 7 and 8 are conditional on the passing of Resolution 6, so that Resolutions 7 and 8 will not have any effect unless Resolution 6 is passed.

The Board has determined that the grant of Performance Rights under the LTIP to the Executive Directors is an appropriate form of long-term incentive for the Company's Key Management Personnel. The Board considers that the Executive Directors are essential to the operation of the Company's ongoing business.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the following Performance Rights to the Executive Directors (**Recipients**) under the LTIP:

Resolution	Recipient	Number of Performance Rights
Resolution 7	Paul Summers	9,000,000
Resolution 8	Peretz Schapiro	9,000,000

The key terms and conditions of the Performance Rights (including the performance hurdles to be satisfied) are summarised in Schedule 3.

In determining the Executive Directors' remuneration packages, including this proposed issue of Performance Rights under the LTIP, the Board considered the scope of the Executive Directors' roles, the business challenges facing the Company and market practice for the remuneration of executive officers in positions of similar responsibility. Accordingly, they determine this proposed grant of Performance Rights is appropriate.

8.2 Regulatory Requirements

Resolutions 7 and 8 seek Shareholder approval in order to comply with the requirements of ASX Listing Rule 10.14 and sections 195(4), 200B, 200E and 208 of the Corporations Act.

8.3 Listing Rules

As noted in Section 8.1, the Company is proposing to issue securities to the Executive Directors under the LTIP (**Issues**).

ASX Listing Rule 10.14 provides that a company must not issue, under an employee incentive scheme, Equity Securities to:

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

unless the issue has been approved by holders of ordinary securities.

The Issues fall within ASX Listing Rule 10.14.1 above and therefore require the approval of Shareholders under ASX Listing Rule 10.14.

Resolutions 7 and 8 seek the required Shareholder approval to the Issues under and for the purposes of ASX Listing Rule 10.14.

If approval is given by Shareholders under ASX Listing Rule 10.14, the Company will be able to proceed with the Issues.

If approval is not given by Shareholders under ASX Listing Rule 10.14, the Issues will not be able to proceed.

Accordingly, under Resolutions 7 and 8, the Company seeks approval from Shareholders for the issue of Performance Rights to the Executive Directors, who by virtue of their position as Directors of the Company are related parties of the Company.

ASX Listing Rule 10.15

In compliance with the information requirements of ASX Listing Rule 10.15, Shareholders are advised of the following information:

- (a) **Nature of relationship between person to receive securities and the Company**
The Performance Rights are proposed to be issued to the Executive Directors, Paul Summers and Peretz Schapiro, both of whom are related parties of the Company in accordance with ASX Listing Rule 10.14.1.
- (b) **Maximum number of securities that may be acquired pursuant to Resolutions**
The maximum number of Performance Rights to be issued to each Executive Director is outlined in Section 8.1 above.
- (c) **Issue price**
The Performance Rights will be issued for nil consideration and accordingly no funds will be raised.
- (d) **Previous issues under the LTIP**
Details of securities issued under the Company's existing LTIP since the date of the last approval on 31 May 2021 are outlined in Section 7.2 above.
- (e) **Director's current total remuneration package**

Details of the remuneration of each of Messrs Summers and Peretz, including their related entities, for the year ended 30 December 2021, is as follows:

Name	Salary & Fees (incl Super) \$	Options \$	Shares \$	Total Remuneration \$
Paul Summers	120,000	40,000	-	160,000
Peretz Schapiro	103,538	200,000	-	303,538

1. Mr Summers' fixed remuneration, in the form of consulting fees, is set at \$120,000 (inclusive of superannuation) per annum for the 2022 financial year.
2. Mr Schapiro's fixed remuneration, in the form of consulting fees, is set at \$120,000 (inclusive of superannuation) per annum for the 2022 financial year.
3. Value of Options granted in 2021 was determined using the Black-Scholes option pricing model.
4. 2,000,000 Options exercisable at \$0.026 expiring 5 February 2024 were issued to Mr Summers.
5. 10,000,000 Options exercisable at \$0.026 expiring 5 February 2024 were issued to Mr Schapiro.

(f) **Material terms of the Performance Rights**

A summary of the material terms of the Performance Rights is provided for in Schedule 3 to this Notice.

(g) **Summary of material terms of the LTIP**

A summary of the material terms of the LTIP is provided for in Schedule 2 to this Notice.

(h) **Value attributed to the Performance Rights**

The value attributed by the Company to the Performance Rights is provided for in Section 8.6(c) below. The Company has calculated these fair values using the Black-Scholes option pricing model. Full details in respect of this valuation, including the valuation methodology is set out in Schedule 4.

(i) **Eligible participants under the LTIP**

Under the LTIP, Performance Rights may be issued to the Executive Directors, being Paul Summers and Peretz Schapiro (and/or their respective nominees). These recipients are the only people referred to in ASX Listing Rule 10.14 currently eligible to participate in the LTIP. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the LTIP after these Resolutions are approved and who are not named in Notice of Annual General Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

(j) **Issue date**

The Company will issue the Performance Rights under Resolutions 7 and 8 as soon as possible after the date of the Meeting and in any event within a month of the Meeting.

(k) **Loan**

No loans have or will be made by the Company in connection with the proposed issue of the Performance Rights.

(l) **Voting exclusion statement**

A voting exclusion statement for each of Resolutions 7 and 8 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

Details of any securities issued under the LTIP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTIP and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.

8.4 Section 195(4) Corporations Act

Two of the Company's three directors have a material personal interest in the outcome of Resolutions 7 and 8 (as applicable to each Director) in this Notice of Annual General Meeting by virtue of the fact that Resolutions 7 and 8 are concerned with the issue of Performance Rights to those Directors.

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered.

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions. The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

8.5 Sections 200B and 200E Corporations Act

The Corporations Act restricts the benefits that can be given to persons who hold a "managerial or executive office" (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies.

Amendments to the Corporations Act in 2009 significantly expanded the scope of these provisions and lowered the threshold for termination benefits that do not require shareholder approval. The term "benefit" has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the LTIP, including the discretion to determine the accelerated vesting or automatic vesting of Performance Rights in certain circumstances.

Under the LTIP, a participant may become entitled to accelerated vesting or automatic vesting of Performance Rights if there is a change of control of the Company or if the Board exercises its discretion upon cessation of employment. Accordingly, Shareholder approval is sought for the Executive Directors to be given any such benefit in connection with his retirement from office or employment with the Company.

If Shareholder approval is given under Resolutions 7 and 8, the Company will still be required to comply with ASX Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and a cap on the value of termination benefits that can be paid to officers of the Company.

The value of the benefit will depend on the number of Performance Rights that may vest pursuant to the LTIP and the market value of the Shares at the time the accelerated vesting or automatic vesting event occurs.

(a) **Details of Termination Benefit**

The Board possesses the discretion to determine, where a participant ceases employment before the vesting or exercise of their Performance Rights that some or all of the Performance Rights do not lapse.

The exercise of this discretion may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

In addition, a participant may become entitled to accelerated vesting or automatic vesting of Performance Rights if there is a change of control of the Company. This accelerated or automatic vesting of Performance Rights may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion and for the provision of such accelerated or automatic vesting rights in respect of any current or future participant in the LTIP who holds:

- (i) a managerial or executive office in the Company (or any of its related body corporate) at the time of their leaving or at any time in the three years prior to their leaving; and
- (ii) Performance Rights under the LTIP at the time of their leaving.

The Board's current intention is to only exercise the above discretion:

- (i) where the employee leaves employment without fault on their part; and
- (ii) so as only to preserve that number of unvested Performance Rights as are pro-rated to the date of leaving.

Provided Shareholder approval is given, the value of these benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation) to the relevant employee.

(b) Value of the Termination Benefits

The value of the termination benefits that the Board may give under the LTIP cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Performance Rights that vest.

The following additional factors may also affect the benefit's value:

- (i) the participant's length of service and the portion of vesting periods at the time they cease employment;
- (ii) the status of the performance hurdles attaching to the Performance Rights at the time the participant's employment ceases; and
- (iii) the number of unvested Performance Rights that the participant holds at the time they cease employment or at the time the change of control occurs (as applicable).

8.6 Section 208 Corporations Act

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act, and includes the directors of the company. As such, the Directors of the Company are related parties of the Company for the purposes of section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial

benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

In compliance with the information requirements of section 219 of the Corporations Act, Shareholders are advised of the information below. Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 7 and 8.

(a) **Identity of the related parties to whom Resolutions 7 and 8 permit financial benefits to be given**

The Performance Rights are proposed to be issued to each of the Executive Directors, each of whom are a related party of the Company.

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

Resolutions 7 and 8 seek approval from Shareholders to allow the Company to issue a total of 18 million Performance Rights to the Executive Directors for nil consideration.

Schedule 3 of this Notice of Annual General Meeting sets out the key terms and conditions of the Performance Rights including, the performance hurdles and expiry date of the Performance Rights.

The Shares to be issued upon vesting of the Performance Rights 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.

The issue of Performance Rights and Shares are a cost effective and efficient means for the Company to provide incentive to its personnel as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure and retain employees and directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The issue of the Performance Rights is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Company reviewed the practices of other companies of a similar size and stage of development to determine the number of Performance Rights required to be issued to attract and retain senior directors. Based on that review, the Board determined the number of Performance Rights proposed in Resolutions 7 and 8 to be appropriate.

(c) **Valuation of financial benefit**

The Company is proposing to issue a total of 18 million Performance Rights under Resolutions 7 and 8 to each of Messrs Summers and Schapiro. The indicative fair value of the Performance Rights is set out below:

- (i) The fair value of each Tranche 1 Performance Right is \$0.0272.
- (ii) The fair value of each Tranche 2 Performance Right is \$0.0272.
- (iii) The fair value of each Tranche 3 Performance Right is \$0.0272.

Based on these fair values, the total value of all 18 million Performance Rights is \$488,858.

The Company has calculated these fair values using the Black-Scholes option pricing model. Full details in respect of this valuation, including the valuation methodology is set out in Schedule 4.

(d) **Dilution**

If the Performance Rights vest and are exercised, the effect will be to dilute the holdings of Shares of other Shareholders. The issue of the Performance Rights in

Resolutions 7 and 8 will in aggregate be equal to approximately 1.3255% of the Company's diluted share capital and exercise of all the Performance Rights granted pursuant to Resolutions 7 and 8 (based on the number of Shares on issue as at the date of this Notice of Annual General Meeting), resulting in a total of 1,357,975,820 Shares on issue.

(e) **Interests of the Directors in the Company**

The direct and indirect interests of each of Messrs Summers and Peretz as at the date of this Notice of Annual General Meeting is as follows:

Name	Shares	Options*	Performance Rights
Paul Summers	26,891,600	19,363,884	4,000,000
Peretz Schapiro	15,712,575	20,474,628	5,000,000

*Each exercisable at \$0.026 on or before 5 February 2024.

(f) **Remuneration of Directors**

Details of the remuneration of each of Messrs Summers and Peretz, including their related entities, for the year ended 30 December 2021, is set out at Section 8.3(e) above.

(g) **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: \$0.059 per Share on 11 May 2021

Lowest: \$0.018 per Share on 13 December 2021

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.026 per Share on 6 April 2022.

(h) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Performance Rights (including fringe benefits tax)

8.7 ASX Listing Rule 10.19

ASX Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of ASX Listing Rule 10.19. As noted in Section 8.5 of this Notice, it is the Board's intention to exercise its discretion so that the Performance Rights to be issued to Paul Summers and Peretz Schapiro (or their nominees) for past performance shall not be forfeited by virtue of their resignation.

The value of the termination benefit payable to Paul Summers and Peretz Schapiro (or their nominees) under Resolutions 7 and 8 depends on the factors set out above in Section 8.6 of this Notice. It is possible that the provision of the benefit associated with the vesting and exercise of Performance Rights in the future may exceed 5% of the equity interests of the Company at the relevant time, although it is unlikely.

8.8 Board Recommendation

The Board does not consider that, from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Performance Rights to the Executive Directors pursuant to Resolutions 7 and 8.

Mr Summers declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that he is to be issued Performance Rights should Resolution 7 be passed. However, in respect of Resolution 8, Mr Summers recommends that Shareholders vote in favour of the Resolution on the basis that the grant of the Performance Rights will allow the Company to adequately reward and incentivise the other Executive Director whilst preserving the Company's cash reserves.

Mr Schapiro declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Performance Rights should Resolution 8 be passed. However, in respect of Resolution 7, Mr Schapiro recommends that Shareholders vote in favour of the Resolution on the basis that the grant of the Performance Rights will allow the Company to adequately reward and incentivise the other Executive Director whilst preserving the Company's cash reserves.

The remaining Board member, Mr Dale Schultz, recommends that Shareholders vote in favour of Resolutions 7 and 8.

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BULLIONFX

On 15 March 2021, the Company announced that it had entered into an agreement to take an equity position in BullionFX Limited (**BullionFX**) (**Equity Swap Agreement**).

Pursuant to the Equity Swap Agreement, the Company subscribed for US\$1,000,000 shares in BullionFX at an issue price of US\$0.20 per share, being 5,000,000 shares. In return, on 11 October 2021, the Company issued US\$1,000,000 of shares to BullionFX at a VWAP of \$0.04562, being 27,711,968 shares (**BullionFX Shares**).

Resolution 9 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the BullionFX Shares.

9.1 Regulatory Requirements

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

The issue of the BullionFX Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in 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 date of issue of the BullionFX Shares.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and so it does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

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

If Resolution 9 is passed, the issue of the BullionFX Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the BullionFX Shares.

If Resolution 9 is not passed, the issue of the BullionFX 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 date of issue of the BullionFX Shares.

Technical information required by Listing Rule 7.5

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

(a) **Identity of the persons to whom securities were issued or agreed to be issued or the basis on which those persons were identified or selected:**

The BullionFX Shares were issued to BullionFX, a sophisticated and professional investor that was introduced to the Company. BullionFX is not a related party of the Company or material investor;¹

(b) **The number and class of securities issued or agreed to issue**

27,711,968 BullionFX Shares were issued pursuant to Listing Rule 7.1.

(c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The BullionFX Shares 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.

(d) **Issue date**

The BullionFX Shares were issued on 11 October 2021.

(e) **Issue price**

The deemed issue price was \$0.04562 per Share. Please see 9.1(g) below for further information.

(f) **Purpose of the issue**

The issue was in consideration for the subscription of 5,000,000 shares in BullionFX at an issue price of US\$0.20 per share under the Equity Swap Agreement.

(g) **Material terms of the agreement under which securities issued**

The issue of Shares to BullionFX was part of a broader transaction with Bullion FX, being the Equity Swap Agreement as outlined in section 9 of the Explanatory Statement.

Pursuant to the Equity Swap Agreement, the Company, through its wholly-owned subsidiary Torian Bullion Pty Ltd subscribed for 5,000,000 shares in BullionFX at an issue price of US\$0.20 per share. As consideration for the subscription, the Company issued US\$1m Torian ordinary Shares at the average of the 5-day VWAP of Torian's Shares prior to the execution of the Equity Swap Agreement, being 27,711,968 Torian shares (on a VWAP of \$0.04562) to BullionFX.

The Equity Swap Agreement was subject to the parties obtaining any regulatory approvals required and BullionFX listing its shares and/or the gold-back cryptocurrency token it is developing on a secondary market at a minimum price of US\$0.50 per share. Following completion of the Equity Swap Agreement, both parties' shares will be subject to a 12-month voluntary escrow period. The escrow of Torian's shares in BullionFX will not apply in the event that BullionFX is the subject of a successful takeover.

(h) **Voting exclusion**

¹ ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's key management personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

A voting exclusion statement for Resolution 9 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

9.2 Board Recommendation

The Board believes that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 9.

10. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF OPTIONS

10.1 Background

The Company agreed to issue 3,000,000 Options to Kitceto Pty Ltd and Carraway Corporate Pty Ltd in consideration for the introduction and assistance in negotiating the Equity Swap Agreement (**Investor Advisor Options**). On 1 April 2021 Kitceto Pty Ltd and Carraway Corporate Pty Ltd were each issued 1,500,000 Options, with a valuation of \$0.033 per Option, under Listing Rule 7.1.

On 11 October 2021 upon completion of the Equity Swap Agreement, the Company issued an additional 4,000,000 Options to Kitceto Pty Ltd and Carraway Corporate Pty Ltd as further consideration for the introduction and assistance in negotiating the Equity Swap Agreement (**Additional Investor Advisor Options**). Kitceto Pty Ltd were issued 2,000,000 Options and Carraway Corporate Pty Ltd were issued 2,000,000 Options, exercisable at \$0.026 and expiring on 5 February 2024.

Resolution 10 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Additional Investor Advisor Options.

10.2 Regulatory Requirements

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

The issue of the Additional Investor Advisor Options does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in 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 date of issue of the Additional Investor Advisor Options.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and so it does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

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

If Resolution 10 is passed, the issue of the Additional Investor Advisor Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the Additional Investor Advisor Options.

If Resolution 10 is not passed, the issue of the Additional Investor Advisor Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Additional Investor Advisor Options.

Technical information required by Listing Rule 7.5

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

- (a) **Identity of the persons to whom securities were issued or agreed to be issued or the basis on which those persons were identified or selected:**

The Additional Investor Advisor Options were issued to sophisticated and professional investors, Kitceto Pty Ltd and Carraway Corporate Pty Ltd. Kitceto Pty Ltd and Carraway Corporate Pty Ltd are not related parties of the Company or material investors;²
- (b) **The number and class of securities issued or agreed to issue**

4,000,000 Additional Investor Advisor Options were issued pursuant to Listing Rule 7.1.
- (c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The Additional Investor Advisor Options were issued on the same terms and conditions as the Company's existing Options as detailed in Schedule 5.
- (d) **Issue date**

The Additional Investor Advisor Options were issued on 11 October 2021.
- (e) **Issue price**

The Additional Investor Advisor Options were not issued for any cash consideration.
- (f) **Purpose of the issue**

The issue is consideration for the introduction and assistance in negotiating the Equity Swap Agreement.
- (g) **Material terms of the agreement under which securities issued**

The issue of the Additional Investor Advisor Options was further consideration for assistance with negotiating the Equity Swap Agreement. The Additional Investor Advisor Options were subject to successful completion of the Equity Swap Agreement with BullionFX (i.e. BullionFX listing its ordinary shares on a secondary market at a minimum price of US\$0.50 per share). The Additional Investor Advisor Options were also to be issued in the event that BullionFX was bought out at a minimum price of US\$0.50 per share.
- (h) **Voting exclusion**

A voting exclusion statement for Resolution 10 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

10.3 Board Recommendation

The Board believes that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 10.

² ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's key management personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

11. RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE OF OPTIONS

11.1 Background

On 25 January 2022 the Company announced it had entered into an underwriting agreement (**Underwriting Agreement**) with GBA Capital Pty Ltd (**GBA Capital**) to partially underwrite the Company's listed Options which were exercisable at \$0.02 on or before 7 February 2022. GBA Capital agreed to underwrite 150,000,000 Options representing an underwriting amount of \$3,000,000.

Pursuant to the Underwriting Agreement, GBA Capital was to receive a 4.5% capital raising fee (plus GST if applicable) on the gross proceeds of any subscription amount taken up.

On 31 January 2022, the Company issued 3,000,000 Options to GBA Capital as consideration for consulting services in connection with the underwriting process (**GBA Options**).

Resolution 11 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

11.2 Regulatory Requirements

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

The issue of the GBA Options does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in 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 date of issue of the GBA Options.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and so it does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

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

If Resolution 11 is passed, the issue of the GBA Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the GBA Options.

If Resolution 11 is not passed, the issue of the GBA Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the GBA Options.

Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 11:

(a) **Identity of the persons to whom securities were issued or agreed to be issued or the basis on which those persons were identified or selected:**

The GBA Options were issued to sophisticated and professional investor, GBA Capital. GBA Capital is not a related party of the Company or material investor;³

³ ASX consider the following to be material investors:

(i). a related party of the entity;

- (b) **The number and class of securities issued or agreed to issue**
3,000,000 GBA Options were issued pursuant to Listing Rule 7.1.
- (c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**
The GBA Options issued were issued on the same terms and conditions as the Company's existing Options as detailed in Schedule 5.
- (d) **Issue date**
The GBA Options were issued on 31 January 2022.
- (e) **Issue price**
The GBA Options were not issued for any cash consideration.
- (f) **Purpose of the issue**
The issue was consideration for consulting services.
- (g) **Material terms of the agreement under which securities issued**
The GBA Options were issued to GBA in connection with the Underwriting Agreement. Pursuant to the Underwriting Agreement, GBA Capital received a 4.5% capital raising fee (plus GST if applicable) on the gross proceeds of any subscription amount taken up. This was in addition to the issue of the GBA Options.
- (h) **Voting exclusion**
A voting exclusion statement for Resolution 11 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

11.3 Board Recommendation

The Board believes that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 11.

(ii). a member of the entity's key management personnel;
 (iii). a substantial holder in the entity;
 (iv). an adviser to the entity; or
 (v). an associate of any of the above,
 where such person or entity is being issued more than 1% of the entity's current issued capital.

GLOSSARY

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

Additional 10% Placement Facility	has the meaning given to that term in Section 4.1 of the Explanatory Statement;
Additional 10% Placement Period	has the meaning given to that term in Section 4.2 of the Explanatory Statement;
Additional Investor Advisor Options	has the meaning given to that term in Section 10.1 of the Explanatory Statement;
Associate	the meaning given to that term in the Listing Rules;
ASIC	means the Australian Securities and Investments Commission;
ASX	ASX Limited or the securities market operated by ASX Limited, as the context requires;
ASXSOR	means the ASX Settlement Operating Rules;
Board	board of Directors;
BullionFX	BullionFX Limited;
BullionFX Shares	has the meaning given to that term in Section 9 of the Explanatory Statement;
Chair	chairman of the General Meeting;
CHESS Replacement	has the meaning given to that term in Section 6.1 of the Explanatory Statement;
Company or Torian	Torian Resources Limited (ACN 002 261 565);
Constitution	constitution of the Company;
Corporations Act	<i>Corporations Act 2001</i> (Cth);
Director	director of the Company;
Equity Securities	has the meaning given to that term in the Listing Rules;
Equity Swap Agreement	has the meaning given to that term in Section 9 of the Explanatory Statement;
Executive Director(s)	Paul Summers and Peretz Schapiro;
Exercise Price	the sum to acquire one Share in the Company;
Explanatory Statement	the explanatory statement that accompanies this Notice of Annual General Meeting;
GBA Options	has the meaning given to that term in Section 11.1 of the Explanatory Statement;

Key Management Personnel	key management personnel of the Company (as defined in section 9 of the Corporations Act);
Investor Advisor Options	has the meaning given to that term in Section 10.1 of the Explanatory Statement;
Issues	the proposed issue of securities to the Executive Directors under the LTIP as outlined in Section 8 of the Explanatory Statement;
Listing Rules	means the listing rules of the ASX;
LTIP	means the Long-Term Incentive Plan sought to be adopted pursuant to Resolution 6 of this Notice of Annual General Meeting;
Meeting or Annual General Meeting	the Annual General Meeting convened by this Notice of Annual General Meeting;
Notice of Annual General Meeting or Notice of Meeting	this notice of Annual General Meeting;
Option	option to subscribe for a Share;
Performance Right	an entitlement to subscribe for/and or acquire a Share;
Proposed Constitution	the constitution sought to be adopted by the Company pursuant to Resolution 5 of this Notice of Annual General Meeting;
Proxy Form	the proxy form enclosed with this Notice of Annual General Meeting;
Resolution	resolution contained in this Notice of Annual General Meeting;
Schedule	schedule to this Notice of Annual General Meeting;
Section	section of the Explanatory Statement;
Share	fully paid ordinary share in the capital of the Company;
Shareholder	holder of a Share in the Company;
VWAP	Volume Weighted Average Price of Shares;
WST	Australian Western Standard Time.

SCHEDULE 1 - 7.1A TABLE

Issue Date	Number	Class	Recipients	Issue price and discount to market price (if any)	Form of consideration
23.04.2021	38,181,817	Ordinary fully paid shares.	Sophisticated and professional investors introduced to the Company.	Issue price of \$0.055 per Share Market Price: \$0.058 per Share Discount: 5.17%	The issue was under a placement in return for cash consideration. Please see the ASX announcements dated 24 March 2021 and 23 April 2021 for further information.

SCHEDULE 2

SUMMARY OF TERMS OF LONG-TERM INCENTIVE PLAN

The Board has adopted a long-term incentive plan (**LTIP**), to enable eligible persons to be granted options and/or Performance Rights (**Awards**), the principal terms of which are summarised below:

- (a) (**Eligibility**) The Board may, in its absolute discretion, invite an “Eligible Person” to participate in the LTIP. An “Eligible Person” includes a director, senior executive, contractor, consultant or employee of the Company.
- (b) (**Maximum Number of Securities**) the Company must not make an offer of Securities under the LTIP in reliance on ASIC Class Order 14/1000, where the total number of Shares to be issued under the LTIP (**LTIP Shares**) (or that will be issued upon conversion of convertible securities to be issued (**Convertible Securities**), when aggregated with the number of LTIP Shares that may be issued as a result of offers made under the LTIP, in reliance on ASIC Class Order 14/1000, at any time during the previous 3 year period, would exceed 5% of the total number of Shares on issue at the date of the offer.
- (c) (**Nature of Awards**) Each Option or Performance Right entitles the participant holding the Option or Performance Right, to subscribe for, or be transferred, one Share. Any Share acquired pursuant to the exercise of an Award will rank equally with all existing Shares from the date of acquisition.
- (d) (**Vesting**) Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Persons. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:
 - (i) all or a percentage of unvested options will vest and become exercisable;
 - (ii) all or a percentage of Performance Rights will be automatically exercised; and
 - (iii) any Shares issued or transferred to a participant under the LTIP that have restrictions (on their disposal, the granting of any security interests in or over, or otherwise on dealing with), will be free from any restrictions on disposal.
- (e) (**Exercise Period**) The period during which a vested Award may be exercised will commence when all Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the rules of the LTIP and the Company has issued a Vesting Notification to the participant, and ends on the Expiry Date (as defined at (a)(iv) below).
- (f) (**Disposal restrictions**) Awards granted under the LTIP may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a participant, other than to a nominated party (such as an immediate family member, trustee of a trust or company) in accordance with the LTIP, unless:
 - (i) the prior consent of the Board is obtained; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a participant to the participant's legal personal representative.
- (g) (**Cashless exercise**) Participants may, at their election, elect to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise of the Option (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the participant will receive Shares to the value of the surplus after the exercise price has been set off.

If a participant elects to use the Cashless Exercise Facility, the participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal to the value to the difference between the exercise price otherwise payable for the Options and the then market value of the Shares at the time of exercise (determined by reference to the 5 day volume weighted price of Shares before the date of exercise).
- (h) (**Lapse**) Unvested Awards will generally lapse on the earlier of:
 - (i) the cessation of employment, engagement or office of a relevant person;

- (ii) the day the Board makes a determination that all unvested Awards and vested options of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
- (iii) if any applicable Conditions are not achieved by the relevant time;
- (iv) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date of an Award or any other date determined by the Board and as specified in the Offer (**Expiry Date**); or
- (v) the Expiry Date.

Where a participant ceases to be employed or engaged by the Company and is not a “Bad Leaver” (as that term is defined in the LTIP), and the Awards have vested, they will remain exercisable until the Awards lapse in accordance with the LTIP rules or if they have not vested, the Board will determine as soon as reasonably practicable after the date the participant ceases to be employed or engaged, how many (if any) of those participant’s Awards will be deemed to have vested and exercisable.

Where a participant becomes a “Bad Leaver” (as that term is defined in the LTIP), all Awards, unvested or vested, will lapse on the date of the cessation of employment, engagement or office of that participant.

SCHEDULE 3

SUMMARY OF TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The Performance Rights will be issued pursuant to the LTIP, with the following key terms and conditions:

1. **Entitlement**

Each Performance Right will entitle its holder, upon vesting and exercise, to be issued, one Share in the Company.

2. **Exercise price**

Subject to the terms of the LTIP, no amount is payable upon exercise of each Performance Right.

3. **Expiry date**

Each Performance Right expires 3 years from the date of issue.

4. **Exercise period**

Subject to satisfaction of the performance hurdles (see below), the Performance Rights are exercisable at any time on or before the Expiry Date.

5. **Performance Hurdles**

The Performance Rights are subject to the following performance hurdles:

Tranche	Number of Performance Rights	Performance Hurdle
1.	Paul Summers: 2,000,000 Peretz Schapiro: 2,000,000	Achievement of a \$50M market capitalisation for 20-day consecutive trading days as measured by the Volume Weighted Average Price (VWAP) of Shares.
2.	Paul Summers: 3,000,000 Peretz Schapiro: 3,000,000	Achievement of a \$100M market capitalisation for 20-day consecutive trading days as measured by the VWAP of Shares.
3.	Paul Summers: 4,000,000 Peretz Schapiro: 4,000,000	Achievement of a \$150M market capitalisation for 20-day consecutive trading days as measured by the VWAP of Shares.

In the event of a takeover or change of control, the performance hurdles will be deemed to have been achieved.

6. **Participation in new issues**

There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Performance Rights.

7. **Transferability**

The Performance Rights are not transferable, without Board approval.

8. **Quotation**

Performance Rights will not be listed for quotation on the ASX, however, the Company will apply for official quotation of the Shares issued upon the exercise of any vested Performance Rights.

SCHEDULE 4

VALUATION OF PERFORMANCE RIGHTS

The value of the Performance Rights has been calculated using the Black-Scholes option pricing model, which has determined a valuation of \$0.0272 per Performance Right.

The material assumptions used in valuing the Performance Rights were:

- Closing share price of \$0.028 per Share as at 22 February 2022;
- No exercise price for a Performance Right;
- Risk free interest of 0.010%; and
- Volatility factor of 102%.

Accordingly, the total value of the Performance Rights to be issued to each Executive Director over the term of the Performance Rights is as follows:

Executive Director	Tranche 1	Tranche 2	Tranche 3	Total Value
Paul Summers	\$54,318	\$81,476	\$108,635	\$244,429
Peretz Schapiro	\$54,318	\$81,476	\$108,635	\$244,429
				<hr/> \$488,858 <hr/>

The Performance Rights are not to be quoted on ASX and as such have no actual market value.

The Performance Rights will vest if and when any vesting conditions and performance hurdles are satisfied, and a Vesting Notification has been given. Following the issuing of the Vesting Notification, a vested Performance Right may be exercised by a participant giving a signed Notice of Exercise and converted into Shares for nil consideration. The Performance Rights will therefore have a value at the date of their granting.

Since there is no consideration for the Shares, the financial benefit to the Director is the market value of the Shares at the time of conversion.

SCHEDULE 5

SUMMARY OF TERMS AND CONDITIONS OF OPTIONS

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

(a) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each:

- (i) Additional Investor Advisor Option will be \$0.026; and
- (ii) GBA Option will be \$0.035.

(**Exercise Price**).

(b) **Expiry Date**

Each Option may be exercised at any time before 5.00pm (WST) on their Expiry Date. Any Option not exercised by the Expiry Date will automatically expire.

The Expiry Date for the Options is as follows:

- (i) Additional Investor Advisor Options: 5 February 2024; and
- (ii) GBA Options: 30 November 2023.

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

(c) **Notice of Exercise**

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

(d) **Exercise Date**

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

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

Not more than 14 days after the Exercise Date, the Company will:

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

If a notice delivered under paragraph (e)(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.

(f) **Shares issued on exercise**

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

(g) **Reconstruction of capital**

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

(h) **Participation in new issues**

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

(i) **Change in exercise price**

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

(j) **Quoted**

The Company will apply for quotation of the Options on ASX.

(k) **Transferability**

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

LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

Important Note: Due to the ongoing COVID-19 pandemic and uncertainty regarding the level of travel restrictions around the time of the meeting, the Company has determined that Shareholders will only be able to attend and participate in the meeting through an online platform provided by Advanced Share Registry.

2021 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Torian Resources Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting

OR



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting 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 law, as the proxy sees fit), at the Annual General Meeting of the Company to be held **virtually on 16 May 2022 at 10.00am (WST)** and at any adjournment or postponement of that Meeting.

Chair's voting intentions in relation to undirected proxies: The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 6, 7 & 8 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Dale Schultz as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Additional 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Change of company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Replacement of Long-Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issue of Performance Rights to Paul Summers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Issue of Performance Rights to Peretz Schapiro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Ratification of prior issue of Shares to BullionFX	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Ratification of prior issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Ratification of prior issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Resolution, 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

This form should be signed by the shareholder. If a joint holding, all the shareholders should 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).

Email Address



Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

TORIAN RESOURCES LIMITED - ANNUAL GENERAL MEETING

Due to the ongoing COVID-19 pandemic and uncertainty regarding the level of travel restrictions around the time of the meeting, the Company has determined that Shareholders will only be able to attend and participate in the Meeting through an online platform provided by Advanced Share Registry.

To facilitate such participation, voting on each Resolution will occur by a poll rather than a show of hands.

A live webcast and electronic voting via www.advancedshare.com.au/virtual-meeting will be offered to allow Shareholders to attend the Meeting and vote online.

Please refer to the Meeting ID and Shareholder ID on the proxy form to login to the website.

Shareholders may submit questions ahead of the Meeting via the portal.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

CHANGE OF ADDRESS

This form shows your address as it appears on 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.

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution 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 resolution 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 a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1, 6, 7 & 8, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 1, 6, 7 & 8.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each 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.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10.00am (WST) on 14 May 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033