

ASX ANNOUNCEMENT



15 September 2022

Notice of 2022 Shareholder Meeting and Proxy Form

Copper producer **Austral Resources Australia Ltd (ASX:ARI)** (**Austral** or the **Company**) refers to the notice of meeting and accompanying explanatory memorandum released to ASX on 15 September 2022 (together, the **Notice of Meeting**) in respect of a general meeting of the Company's shareholders (**Shareholders**) to be held on 17 October 2022 at 9:30am (AEST).

In reliance on section 253RA of the *Corporations Act 2001* (Cth), the Company will not be posting hard copies of the Notice of Meeting to Shareholders unless the Shareholder has given the Company notice in writing electing to receive documents in hard copy only. The Notice of Meeting can be viewed or downloaded from the Company's website or on the ASX announcements page at <https://www.australres.com/investors/announcements/> or at www.asx.com.au.

This announcement has been authorised for release to the ASX by the Company Secretary. For further information, please contact the Company Secretary by telephone on +61 7 3520 2500 or by email at admin@australres.com.

Yours sincerely

Austral Resources Australia Ltd

Jarek Kopias

Company Secretary

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AUSTRAL RESOURCES AUSTRALIA LTD

ACN 142 485 470

NOTICE OF GENERAL MEETING

EXPLANATORY NOTES

PROXY FORM

Date of Meeting

Monday 17 October 2022

Time of Meeting

9:30am (AEST) (Brisbane time)

Place of Meeting

Offices of HopgoodGanim Lawyers,
Level 8, Waterfront Place, 1 Eagle Street
Brisbane, Queensland

NOTICE OF 2022 GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of Austral Resources Australia Ltd (“Company” or “Austral”) will be held at the offices of HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on Monday 17 October 2022 at 9:30am AEST.

The business to be considered at the General Meeting is set out below.

This Notice of Meeting should be read in its entirety in conjunction with the accompanying Explanatory Notes, which form part of this Notice of Meeting and contain information in relation to the following Resolutions. If you are in any doubt as to how you should vote on the Resolutions set out in this Notice of Meeting, you should consult your financial or other professional adviser.

Defined terms used in this Notice of Meeting have the meanings given to those terms in the Glossary at the end of the Explanatory Notes.

ORDINARY BUSINESS

Resolution 1 – Ratification of 43,243,244 Placement Shares issued on 18 August 2022

To consider and, if thought fit, pass 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 and allotment of 43,243,244 Placement Shares on 18 August 2022 on the terms and to the parties set out in the Explanatory Notes.”

Resolution 2 – Issue of 2,702,703 Shares to Mr Daniel Jauncey (or nominee)

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the proposed issue and allotment of 2,702,703 Shares to Mr Daniel Jauncey (or nominee), on the terms set out in the Explanatory Notes, is approved.”

Resolution 3 – Issue of Director Performance Rights issued to Mr Phillip Thomas

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue Director Performance Rights to Mr Phillip Thomas (or his nominee) under the Austral Performance Share Plan as described in the Explanatory Notes.”

Resolution 4 – Issue of Director Performance Rights issued to Mr Daniel Jauncey

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue Director Performance Rights to Mr Daniel Jauncey (or his nominee) under the Austral Performance Share Plan as described in the Explanatory Notes.”

Resolution 5 – Issue of Director Performance Rights issued to Mr Jeffrey Innes

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue Director Performance Rights to Mr Jeffrey Innes (or his nominee) under the Austral Performance Share Plan as described in the Explanatory Notes.”

Resolution 6 – Issue of Director Performance Rights issued to Mr Michael Hansel

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue Director Performance Rights to Mr Michael Hansel (or his nominee) under the Austral Performance Share Plan as described in the Explanatory Notes.”

Resolution 7 – Issue of Performance Rights to Key Management Personnel

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given to issue Performance Rights to Key Management Personnel (or their nominees) under the Austral Performance Share Plan as described in the Explanatory Notes.”

VOTING INFORMATION, EXCLUSIONS AND PROHIBITIONS

Voting exclusion in relation to Resolution 1

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this Resolution by any person who received Placement Shares pursuant to the Placement or any of their Associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

Voting exclusion and voting restriction in relation to Resolution 2

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this Resolution by Mr Daniel Jauncey or, any other person who will obtain a material benefit as a result of the proposed Resolution (except a benefit solely by reason of being a holder of Shares) or any Associate of such persons. However, this does not apply to a vote cast in favour of a resolution by:

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

Voting exclusions and voting restriction in relation to Resolution 3

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Mr Phillip Thomas and a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the PSP or any of their respective Associates.

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

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

Further, in accordance with the Corporations Act, a vote must not be cast on this Resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, and any Closely Related Party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the member of the Key Management Personnel or any Closely Related Party of such a member may vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution or by a person who is the Chair of the Meeting at which this Resolution is voted on and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a Key Management Personnel.

Voting exclusions and voting restriction in relation to Resolution 4

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Daniel Jauncey and a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the PSP or any of their respective Associates.

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

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

Further, in accordance with the Corporations Act, a vote must not be cast on this Resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, and any Closely Related Party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the member of the Key Management Personnel or any Closely Related Party of such a member may vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution or by a person who is the Chair of the Meeting at which this Resolution is voted on and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a Key Management Personnel.

Voting exclusions and voting restriction in relation to Resolution 5

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Jeffrey Innes and a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the PSP or any of their respective Associates.

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

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

Further, in accordance with the Corporations Act, a vote must not be cast on this Resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, and any Closely Related Party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the member of the Key Management Personnel or any Closely Related Party of such a member may vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution or by a person who is the Chair of the Meeting at which this Resolution is voted on and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a Key Management Personnel.

Voting exclusions and voting restriction in relation to Resolution 6

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Mr Michael Hansel and a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the PSP or any of their respective Associates.

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

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

Further, in accordance with the Corporations Act, a vote must not be cast on this Resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, and any Closely Related Party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the member of the Key Management Personnel or any Closely Related Party of such a member may vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution or by a person who is the Chair of the Meeting at which this Resolution is voted on and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a Key Management Personnel.

Voting exclusions and voting restriction in relation to Resolution 7

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolutions 7 by or on behalf of Key Management Personnel and any other person who will obtain a material benefit as a result of the issue of securities pursuant to Resolution 7 (except a benefit solely by reason of being a holder of ordinary securities) or any of their respective Associates.

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

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

Further, in accordance with the Corporations Act, a vote must not be cast on Resolution 7 (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, and any Closely Related Party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution 7. However, the member of the Key Management Personnel or any Closely Related Party of such a member may vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution or by a person who is the Chair of the Meeting at which this Resolution is voted on and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a Key Management Personnel.

Important information concerning proxy votes on Resolutions 3, 4, 5, 6 and 7

The Corporations Act places certain restrictions on the ability of Key Management Personnel and their closely related parties to vote on the Resolutions connected directly or indirectly with the remuneration of the Key Management Personnel.

Additionally, the Company will disregard any votes cast on Resolutions 3, 4, 5, 6 and 7 by any person appointed as a proxy by any person who is either a member of the Key Management Personnel or a Closely Related Party of such a member, unless:

- a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions. In particular, Shareholders who intend to appoint the Chair of the Meeting as their proxy (including an appointment by default) are encouraged to direct the Chair of the Meeting as to how to vote on all Resolutions.

If the Chair of the Meeting is appointed, or taken to be appointed, as your proxy, you can direct the Chair of the Meeting to vote for, against or abstain from voting on Resolutions 3, 4, 5, 6 and 7 by marking the box opposite the Resolutions on the Proxy Form. You should direct the Chair of the Meeting how to vote on these Resolutions.

However, if the Chair of the Meeting is your proxy and you do not direct the Chair of the Meeting how to vote in respect of Resolutions 3, 4, 5, 6 and 7 on the Proxy Form, you will be deemed to have directed and expressly authorised the Chair of the Meeting to vote your proxy in favour of these Resolutions. This express authorisation acknowledges that the Chair of the Meeting may vote your proxy even if:

- (a) Resolutions 3, 4, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member or members of the Key Management Personnel of the Company; and
- (b) the Chair of the Meeting has an interest in the outcome of Resolutions 3, 4, 5, 6 and 7, that votes cast by the Chair of the Meeting for these Resolutions, other than as authorised proxy holder, will be disregarded because of that interest.

Voting, Attendance Entitlement and proxy

A Member who is entitled to attend and cast a vote at the Meeting and who wishes to vote on the Resolutions contained in this Notice should either attend in person at the time, date and place of the Meeting set out above or appoint a proxy or proxies to attend or vote on the Member's behalf. In the interests of public health and safety of our Shareholders, due to the current COVID-19 pandemic, the Company encourages **Shareholders to vote via proxy and not physically attend the Shareholder Meeting**.

A Member who is entitled to attend and cast a vote at the Meeting and who wishes to vote on the Resolutions contained in this Notice should appoint the Chairman of the Meeting as their proxy to attend and vote on the Member's behalf. Austral encourages shareholders to **appoint the Chairman of the Meeting as their proxy**.

The situation regarding COVID-19 is evolving rapidly and Austral is following the health advice of the Australian Government. Shareholders are encouraged to monitor the Company's ASX announcements and website for any further updates in relation to arrangement for the Company's Shareholder Meeting.

Shareholders are encouraged to lodge their Proxy Forms online at <https://www.automicgroup.com.au/>.

In completing the attached Proxy Form, Members must be aware that where the Chair of the Meeting is appointed as their proxy, they will be directing the Chair of the Meeting to vote in accordance with the Chair of the Meeting's voting intention unless you indicate otherwise by marking the "For", "Against" or "Abstain" boxes. The Chair of the Meeting intends to vote undirected proxies in favour of each item of business. Members should note that they are entitled to appoint the Chair of the Meeting as a proxy with a direction to cast the votes contrary to the Chair of the Meeting's voting intention, or to abstain from voting, on any Resolution in the Proxy Form. Also, Members may appoint, as their proxy, a person other than the Chair of the Meeting.

A proxy need not be a Member of the Company. For the convenience of Members, a Proxy Form is enclosed. A Member who is entitled to attend and cast two or more votes is entitled to appoint two proxies. Where two proxies are appointed, each appointment may specify the proportion or number of voting rights each proxy may exercise. If the Member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes able to be cast by the appointing Member.

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 order to be valid, the Proxy Form must be received by the Company at the address specified below, along with any power of attorney or certified copy of a power of attorney (if the Proxy Form is signed pursuant to a power of attorney), by no later than 48 hours before the Meeting (i.e., by no later than 9:30am AEST on 15 October 2022):

On-line: <https://www.automicgroup.com.au/>.

By mail: Automic
GPO BOX 5193
SYDNEY NSW 2001

By hand: Level 5, 126 Phillip Street
SYDNEY NSW 2000

By e-mail: meetings@automicgroup.com.au

Any Proxy Forms received after that time will not be valid for the Meeting.

A Member who is a body corporate may appoint a representative, including an individual, to attend the Meeting in accordance with the Corporations Act. Representatives will be required to present documentary evidence of their appointment on the day of the Meeting.

For the purpose of determining the voting entitlements at the Meeting, the Directors have determined that Shares will be taken to be held by the registered holders of those Shares at 9:30am AEST on 15 October 2022. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

By order of the Board

Jaroslaw (Jarek) Kopias
Company Secretary
Brisbane, 15 September 2022

GENERAL MEETING - EXPLANATORY NOTES

These Explanatory Notes accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting and should be read in conjunction with this Notice of Meeting.

If any Shareholder is in doubt as to how they should vote, they should seek advice from their legal, financial or other professional adviser prior to voting.

Introduction

These Explanatory Notes have been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be considered at the General Meeting of the Company. The Directors recommend Shareholders read these Explanatory Notes in full before making any decision in relation to the Resolutions.

Terms defined in the Notice of Meeting have the same meaning in these Explanatory Notes.

GENERAL BUSINESS

Resolution 1: Ratification of 43,243,244 Placement Shares issued on 18 August 2022

On 11 August 2022, the Company announced that it received firm commitments to issue 43,243,244 Shares under a private placement of Shares (**Placement**). The issue of Shares pursuant to the Placement was undertaken under the Company's 10% Additional Placement Capacity under ASX Listing Rule 7.1A. The Placement Shares were subsequently issued on 18 August 2022.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 and ASX Listing Rule 7.1A limit the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 10% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Placement Shares did not fall within an exception and were issued without Shareholder approval under the Company's 10% placement capacity under ASX Listing Rule 7.1A.

ASX Listing Rule 7.4 allows the shareholders of a listed company to subsequently ratify the previous issues of securities made without prior shareholder approval under ASX Listing Rule 7.1A, provided the issue did not breach the maximum thresholds set by ASX Listing Rule 7.1A. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1A and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under those rules.

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 ASX Listing Rule 7.1A and thus the Company is seeking ratification of the issue of the Placement Shares, the subject of Resolution 1. The Company confirms that the issue and allotment of the Shares did not breach ASX Listing Rule 7.1A at the date of issue.

If Resolution 1 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1 and 10% Additional Placement Capacity limit in ASX Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of issue.

If Resolution 1 is not passed, the relevant issues will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1 and 10% Additional Placement Capacity limit in ASX Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of issue.

ASX Listing Rule 7.5 contains certain requirements as to the contents of a Notice sent to Shareholders for the purpose of ASX Listing Rule 7.4 and the following information is included in these Explanatory Notes for that purpose:

Party¹	The Placement Shares were issued to various investors who did not require a disclosure document and who were identified and selected by the Company in consultation with the Company's corporate advisers for the Placement, Petra Capital.
Number and Class of Securities issued	43,243,244 fully paid ordinary shares were issued under ASX Listing Rule 7.1A.
Date of issue	The Placement Shares were issued on 18 August 2022.
Consideration	The Shares were issued at a price \$0.37 (37 cents) per Share.
Terms	Shares rank equally with all other Shares on issue.
Purpose	The funds raised from the Placement will be used for exploration, debt repayment and for working capital.
Material terms of agreement	The relevant placement agreement provided that the issue price of the Placement Shares was \$0.37 and included various conditions customary for a placement agreement of this sort.

¹ None of the parties are related parties of the Company.

Board Recommendation: The Directors recommend that Shareholders vote in favour of Resolution 1.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 1.

Resolution 2: Issue of 2,702,703 Shares to Mr Daniel Jauncey (or nominee)

Background

As noted in the Explanatory Notes for Resolution 1, on 11 August 2022 the Company announced that it received firm commitments to issue 43,243,244 Shares under the Placement. Further Director Daniel Jauncey advised his intention to participate in the Share placement (\$1,000,000 investment) on the same terms as Placement applicants, subject to the Company obtaining Shareholder approval to such issue.

ASX Listing Rule Requirements

ASX Listing Rule 10.11 requires Shareholder approval for the issue of securities to, among other defined persons, a Related Party of the Company, an Associate of the Related Party, or a person whose relationship with the Related Party is, in ASX's opinion, such that approval should be obtained.

Accordingly, as Mr Jauncey is a Related Party of the Company (by virtue of his position as a Director of the Company) and therefore falls within category 10.11.1 of Listing Rule 10.11, Shareholder approval is being sought for the issue of a total of 2,702,703 Shares to Mr Jauncey (or his nominated Associate) on the terms set out below.

If approval of the issue of the Shares is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1 and the Shares will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1 and 10% Additional Placement Capacity limit in ASX Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of issue.

If Resolution 2 is not passed, the Company will be precluded from issuing the Shares to Mr Jauncey (or his nominated Associates).

Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a Related Party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the Related Party. Mr Jauncey is a Director and are therefore a Related Party of the Company.

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Shares, pursuant to Resolution 2, on the basis that exception in section 210 of the Corporations Act applies as Mr Jauncey is proposing to participate in the Placement on the same terms as other investors.

ASX Listing Rules Disclosure

ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue securities to a Director, without first obtaining shareholder approval.

ASX Listing Rule 10.13 requires that the following information to be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 10.11:

Party and Relationship to the Company	Mr Daniel Jauncey (or his nominated Associate), a Director of the Company and, therefore, a person falling within category 10.11.1. of the Listing Rules and their Associates fall within Listing Rule 10.11.4.
Securities issued	The maximum number of Shares to be issued to Mr Daniel Jauncey is 2,702,703 Shares.
Terms	Shares issued in the Placement will be fully paid ordinary shares and will rank equally in all respects with all other Shares on issue as at the date of their issue.
Date of issue	The Shares are proposed to be issued as soon as practicable and in any event no later than 1 month after the Meeting, subject to any waiver or relief that ASX may grant to permit their later issue.
Consideration	The Shares will be issued for \$0.37 (37 cents) per Share, the same issue price as all other Placement participants.
Material terms of agreement	Mr Jauncey is proposing to participate in the capital raise on the same terms as other Placement participants. The relevant placement agreements provided that the issue price of the Placement Shares was \$0.37 and included various conditions for a placement agreement of this sort.
Purpose	The funds raised from the Placement will be used for exploration, debt repayment and for working capital.

Board Recommendation

Mr Jauncey declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of Resolution 2 on the basis that he will be issued 2,702,703, Shares should Resolution 2 be passed.

The other Directors do not have a personal interest in the outcome of the Resolution related to the issue of Shares to Mr Jauncey. The Directors (other than Mr Jauncey) recommend that Shareholders vote in favour of Resolution 2.

The Directors make the recommendation above for the following reasons:

- the issue of Shares to Mr Jauncey (or his Associates) will better align the interests of the Mr Jauncey with those of Shareholders;
- the issue of the Shares is reasonable and appropriate as Mr Jauncey is proposing to participate in the placement on the same terms as other applicants; and
- it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares on the terms proposed.

The Board (apart from Mr Jauncey, who make no recommendation in relation to the Resolution) recommends that shareholders vote in favour of Resolution 2.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 2.

Resolutions 3, 4, 5, 6 and 7: Issue of Performance Rights to Mr Phillip Thomas, Mr Daniel Jauncey, Mr Jeffrey Innes, Mr Michael Hansel and Key Management Personnel (KMP)

Background

Mr Phillip Thomas, Mr Daniel Jauncey, Mr Jeffrey Innes, and Mr Michael Hansel are Directors with responsibility of management and oversight of the Company (**Participating Directors**). For the purpose of remunerating the Participating Directors based on their qualifications and experience within the production, development and exploration market and the desire to preserve cash, the Board has determined to include an incentive based component to their remuneration package. The Participating Directors and other Key Management Personnel (as detailed below) have previously been issued Performance Rights, with KPI based Performance Conditions. In assessing the KPI's associated with existing Performance Rights on issue, the Directors have identified that the HSSEQ KPI should be better defined and are seeking Shareholder approval of the issue. These Resolutions propose to issue of additional Performance Rights to the Participating Directors and KMP following the cancellation of the corresponding outdated Performance Rights (4,302,326 Performance Rights in total). The cancellation of the outdated Performance Rights is not conditional on Shareholders approving the issue the Performance Right the subject of Resolutions 3, 4, 5, 6 and 7.

Reason for approval – Listing Rules

The Participating Directors are Directors of the Company and ASX Listing Rule 10.14 provides that a director (or their Associates) may not acquire securities under an employee incentive scheme without the prior approval of shareholders.

Approval of the issue of Performance Rights, as it relates to KMP, is being sought as the Performance Rights were on issue at the time of the Company's initial public offering and will be treated in the same way as Directors.

Accordingly, approval is sought for the issue of Performance Rights to KMP and the Participating Directors (or their nominees) for the purposes of Listing Rule 7.1 and Listing Rule 10.14 on the terms set out below.

If Resolutions 3, 4, 5, 6 and 7 are passed, the Company will be able to proceed with the issue of Performance Rights to KMP and the Participating Directors and better align the KPI's with the Company's performance.

If Resolutions 3, 4, 5, 6 and 7 are not passed, the Company will not be able to issue Performance Rights to KMP and the Participating Directors and not be able to better align the KPI's with the Company's performance.

The Performance Rights will be issued under the Company's PSP.

Reason for approval – Corporations Act – Termination Benefits

The Corporations Act restricts the Company from giving certain "benefits" to certain persons (those who hold a managerial or executive office, as defined in the Corporations Act) on ceasing their employment with the Company (**Termination Benefits**), in the absence of prior shareholder approval unless an exemption applies.

The term "benefit" is defined broadly in the Corporations Act and includes benefits arising from the Board exercising its discretion under the rules of the PSP.

Accordingly, Resolutions 3, 4, 5, 6 and 7 also seek Shareholder approval for the purpose of the Company providing these Termination Benefits to the Participating Directors in accordance with the terms of the PSP.

This approval is being sought in respect of the current participation in the PSP, and the Termination Benefits that may arise if and when any Participating Director ceases to be engaged by the Company.

Other than as expressly set out in Resolutions 3, 4, 5, 6 and 7, no current KMP or Director will participate in the PSP unless separate Shareholder approval is first obtained.

For the purposes of section 200E of the Corporations Act, the Company advises that various matters will or are likely to affect that value of the Termination Benefits that the Board may give under the PSP and, therefore the value of the Termination Benefits cannot be determined in advance.

The value of a particular benefit resulting from the exercise of the Board's discretion under the PSP will depend on factors such as the Company's share price at the time of the exercise of this discretion and the number of Performance Rights that the Board decides to waive the Performance Conditions in respect of or for which the vesting date is accelerated. Some of the factors that may affect the value of the Termination Benefits are as follows:

- (a) the nature and extent of any Performance Conditions waived by the Board;
- (b) the number of Performance Conditions that have been satisfied at the time that the Board exercises this discretion; and
- (c) the number of unexercised Performance Rights that the KMP and Participating Director holds at the time that this discretion is exercised.

Issue of Performance Rights to KMP and Participating Directors

Upon approval at this Meeting, the Company intends to issue the HSSEQ KPI Performance Rights in relation to KMP and the Participating Directors within 5 business days of the Meeting.

In the event that all Performance Rights vest upon satisfaction of the Key Performance Indicator (**KPIs**) Performance Conditions (summarised below), the number of Shares that would be issued to KMP is 1,594,442 and to the Participating Directors is 2,707,884 – the same number as those that may be issued prior to the proposed change to KPI's. The Shares to be issued upon vesting of the Performance Rights will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares at the date of issue.

The Company advises that there are no loans provided to KMP or the Participating Directors in relation to the issue of Performance Rights.

Further key terms of the PSP are included in Appendix 1 to this Notice.

Issue Price and Exercise Price

There is no issue price and consequently there are no funds raised upon issue of the Performance Rights. Each Performance Right will have a nil exercise price.

Key Performance Indicators

The Performance Rights vest and become exercisable if the Performance Conditions are determined to have been satisfied or as otherwise determined by the Board exercising its discretion.

Where the Performance Conditions are met and Performance Rights vest, Performance Rights may be exercised at any time prior to Exercise Period End Date. The Performance Conditions relate to the Participating Directors' and the Company's performance during the period 1 July 2021 to 30 June 2023. Upon Shareholder approval, KMP and the Participating Directors will be issued HSSEQ KPI Performance Rights as detailed below.

Additionally, as cathode production commenced in June 2022, the two measurement periods are proposed to be moved forward by 12 months compared to the previously lapsed corresponding Performance Rights.

TABLE 1

KMP and Director	Number of Performance Rights vesting	Grant date ¹	Performance Condition	KPI End Date	Exercise Period End Date ²
Directors					
P Thomas	80,168	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
D Jauncey	1,113,438	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
J Innes	80,168	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
M Hansel	80,168	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
P Thomas	80,168	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
D Jauncey	1,113,438	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
J Innes	80,168	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
M Hansel	80,168	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
Total Directors	2,707,884				
KMP³					
J Kopias	57,899	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
S O'Connell	369,661	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
L Johnstone	369,661	17 Oct 2022	HSSEQ1	30 Jun 2023	30 Jun 2025
J Kopias	57,899	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
S O'Connell	369,661	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
L Johnstone	369,661	17 Oct 2022	HSSEQ2	30 Jun 2024	30 Jun 2026
Total KMP	1,594,442				
TOTAL	4,302,326				

¹ Expected to be within 5 business days of receipt of Shareholder approval.

² Performance Rights will expire within 3 months of KMP and the Participating Director ceasing to hold office with the Company if earlier than the last day of the Exercise Period. The Board will have 3 months from the end of the KPI End Date to determine whether the rights have vested based on the KPI.

³ KMP are J Kopias, S O'Connell and L Johnstone.

HSSEQ1 KPI – to be met by 30 June 2023 (measurement period 1 July 2022 to 30 June 2023)

This KPI will be considered satisfied where the following criteria are met during the relevant period:

1. Safety KPI – 50% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving a 20% decrease in the All Injury Frequency Rate (AIFR) from the previous year.
- 50% vesting upon achieving a 10% decrease in the AIFR from the previous year.
- 0% vesting upon achieving a 0% decrease in the AIFR from the previous year.
- Pro rata vesting allocation by 1% increments for a 1% to 19% decrease in the AIFR.

2. Environment KPI – 30% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving no environmental fines/breaches from DES (Breach) for the year to June 2023.
- The % vested is reduced by the value of any fines imposed (calculated with reference to the Company's Share price at the time of the Breach) in the year to June 2023.

3. Indigenous Affairs KPI – 20% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving no impact on operations due to breaches/delays resulting from Indigenous Affairs matters for the year to June 2023.
- 0% vesting where management of Indigenous Affairs matters results in a material impact on operations due to breaches/delays for the year to June 2023.

HSSEQ2 KPI – to be met by 30 June 2024 (measurement period 1 July 2023 to 30 June 2024)

This KPI will be considered satisfied where the following criteria are met during the relevant period:

1. Safety KPI – 50% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving a 20% decrease in the All Injury Frequency Rate (AIFR) from the previous year.
- 50% vesting upon achieving a 10% decrease in the AIFR from the previous year.
- 0% vesting upon achieving a 0% decrease in the AIFR from the previous year.
- Pro rata vesting allocation by 1% increments for a 1% to 19% decrease in the AIFR.

2. Environment KPI – 30% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving no environmental fines/breaches from DES (Breach) for the year to June 2024.
- The % vested is reduced by the value of any fines imposed (calculated with reference to the Company's Share price at the time of the Breach) in the year to June 2024.

3. Indigenous Affairs KPI – 20% of the HSSEQ1 Performance Rights on issue

- 100% vesting upon achieving no impact on operations due to breaches/delays resulting from Indigenous Affairs matters for the year to June 2024.
- 0% vesting where management of Indigenous Affairs matters results in a material impact on operations due to breaches/delays for the year to June 2024.

Participating Director total current remuneration

The Participating Directors are remunerated as listed below (base salary and superannuation).

TABLE 2

Director	Current full year amount	2021 payments ¹
P Thomas	\$80,000	\$25,740
D Jauncey	\$386,750	\$382,679
J Innes	\$60,000	\$20,769
M Hansel ²	\$60,000	-

¹ Payments for the year ended 31 December 2021 as disclosed in the Company's annual report.

² M Hansel commenced as a Director of the Company on 14 February 2022.

The Participating Directors have the following relevant interest in Equity Securities of the Company (directly and indirectly):

TABLE 3

Director	Securities currently held			Performance rights previously issued under the PSP
	Shares (AR1)	Unquoted options	Performance rights	
P Thomas	1,170,837	-	1,202,513	1,603,350
D Jauncey	254,210,596	-	16,701,563	22,268,750
J Innes	650,867	-	1,202,513	1,603,350
M Hansel	500,000	400,000	1,603,350	1,603,350

If all of the Performance Rights granted to KMP and the Participating Directors vest and are exercised, then a total of 4,302,326 new Shares would be issued – no change to the number that would be issued prior to the proposed issue following cancellation of corresponding Performance Rights. This will increase the number of Shares on issue from 499,463,123 to 503,765,449 (assuming that no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by approximately 0.86%.

The market price for Shares during the term of the Performance Rights will affect the value of the perceived benefit given to KMP and the Participating Directors. If, at any time, any of the Performance Rights vest, then there may be a perceived cost to the Company. The trading history of Shares on ASX in the 12 months before to 31 August 2022 is listed in Table 4 below:

TABLE 4

	Price	Date
Highest	\$0.65	3 June 2022
Lowest	\$0.15	3 November 2021 and 24 December 2021
Last	\$0.31	31 August 2022

Corporations Act – Related Party

Under Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a related party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Performance Rights, pursuant to Resolutions 3, 4, 5 and 6, as the exception in section 211 of the Corporations Act applies. Shareholder approval must nonetheless be obtained pursuant to ASX Listing Rule 10.14. The Director Performance Rights which are proposed to be issued are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

ASX Listing Rules Disclosure

For the purpose of Resolution 7, ASX Listing Rule 7.3 requires that the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.1:

- (a) the Performance Rights will be issued to KMP (or their nominees);
- (b) the number of Performance Rights to be issued to KMP (or their nominees) is 1,594,442;
- (c) the material terms of the Performance Rights are contained in Appendix 1;
- (d) the issue of Performance Rights to KMP (or their nominees) will occur no later than three (3) months after the date of the Meeting, but will vest upon meeting the required KPIs;
- (e) the Performance Rights will be issued for no consideration and no consideration is payable by KMP (or their nominees) upon the exercise and conversion of the Performance Right to a Share; and
- (f) no funds will be raised upon the issue of Performance Rights, and the purpose of the issue is to provide an incentive based component to the remuneration package for KMP.

For the purpose of Resolutions 3, 4, 5 and 6, ASX Listing Rule 10.15 requires that the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 10.14:

- (a) the Performance Rights will be issued to the Participating Directors, being persons who fall within Listing Rule 10.14.1 and, therefore, whose nominees fall within 10.14.2;
- (b) the number of Performance Rights to be issued is 2,707,884;
- (c) the Participating Directors' remuneration is set out in Table 2 of the Explanatory Notes to Resolutions 3, 4, 5 and 6;
- (d) the total number of Performance Rights issued to the Participating Directors in the past under the PSP is 27,078,800;
- (e) the issue of Performance Rights to the Participating Directors (or their nominees) will occur no later than three years after the date of the Meeting, but will vest upon meeting the required KPIs;
- (f) the Performance Rights will be issued to the Participating Directors for no consideration and no consideration is payable by the Participating Directors upon the exercise and conversion of the Performance Right to a Share;
- (g) the material terms of the Performance Rights are detailed in Appendix 1 and further, especially in relation to the relevant KPI's, in these Explanatory Notes;
- (h) the Performance Rights are being issued as an appropriate way of remunerating the Participating Directors and a replacement for the previously cancelled Performance Rights;
- (i) the Company attributes a value of the Company's Share price to each Performance Right, being \$0.31 per Share as at 31 August 2022;
- (j) no funds will be raised upon the issue of Performance Rights, and the purpose of the issue is to provide an incentive based component to the remuneration package for the Participating Directors;
- (k) the material terms of the Performance Rights are contained in Appendix 1; and
- (l) no loan will be provided to the Participating Directors as part of the issue of the Performance Rights.

Details of any securities issued under the PSP will be published in the annual report of the entity relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the PSP after Resolutions 3, 4, 5 and 6 are approved and who were not named in the notice of meeting will not participate in the PSP until approval is obtained under Listing Rule 10.14.

Board Recommendation

The Participating Directors decline to make a recommendation to Shareholders in relation to Resolutions 3, 4, 5 and 6 due to their material personal interest in the outcome of those Resolutions should Resolutions 3, 4, 5 and 6 be passed.

With the exception of the issue of Performance Rights to Mr Thomas in respect of Resolution 3, Mr Jauncey in respect of Resolution 4, Mr Innes in respect of Resolution 5 and Mr Hansel in respect of Resolution 6, no other Director has a personal interest in the outcome of Resolutions as they relate to the other Participating Directors. The Directors (other than in respect of Performance Rights that relate to themselves) recommend that Shareholders vote in favour of Resolutions 3, 4, 5 and 6 for the following reasons:

- the issue of Performance Rights to the Participating Directors will better align the interests of the Participating Directors with those of Shareholders;
- the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would, if cash payments were given to the Participating Directors under their employment arrangements; and
- it is not considered that there aren't any significant opportunity costs to the Company or benefits foregone by the Company in the issue of Performance Rights on the terms proposed.

In forming their recommendations, each Director considered the experience of the Participating Directors, the skills the Participating Directors bring to the Company and the current market price of Shares when determining the number of Performance Rights to be issued.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolutions 3, 4, 5, 6 and 7.

Glossary

In the Notice of Meeting and Explanatory Notes:

10% Additional Placement Capacity means the Equity Securities issued under Listing Rule 7.1A.

AEST means Australian Eastern Standard Time (Brisbane time).

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited (ABN 98 008 624 691).

Austral or **the Company** means Austral Resources Australia Ltd (ABN 50 142 485 470).

Board means the board of Directors of Austral.

Breach means any environmental fines/breaches imposed by DES in relation to the Company's activities undertaken since its ASX listing in November 2021. This does not extend to fines imposed in relation to legacy issues that may result in future penalties.

Chair of the Meeting means the chairman of the Meeting.

Closely Related Party has the meaning given to it in the Corporations Act and the Corporations Regulations.

Constitution means the constitution of the Company.

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

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

DES means Department of Environment and Science, Queensland.

Director means a director of the Company.

Director Performance Rights means unquoted performance rights issued under the Company's PSP.

Equity Securities or **Securities** has the same meaning as in the Listing Rules.

Explanatory Notes means these explanatory notes.

Key Management Personnel means a member of the key management personnel as disclosed in the Remuneration Report.

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

Meeting, or **General Meeting** means the general meeting of Shareholders to be held at the offices of HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on Monday 17 October 2022 at 9:30am AEST.

Member or **Shareholder** means each person registered as a holder of a Share.

Notice or **Notice of Meeting** means this Notice of General Meeting.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast by Shareholders entitled to vote at a general meeting of Shareholders.

Placement means the share placement of 43,243,244 Shares at 37 cents per Share to raise approximately \$16 million as announced on 11 August 2022.

Placement Shares means the Shares issued pursuant to the Placement.

Proxy Form means the proxy form attached to this Notice of Meeting.

PSP means Performance Share Plan as disclosed in the Company's Prospectus and Supplementary Prospectus dated lodged as an ASX announcement on 1 November 2021.

Resolution means a resolution referred to in this Notice.

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

Appendix 1

Key terms of the PSP

1. Eligibility

- a. The Board may, in its absolute discretion, grant Performance Rights to an “Eligible Employee”.
- b. An “Eligible Employee” is a Director, senior executive or full or part time employee or contractor of the Company or its related body corporate, who is invited by the Board to participate in the PSP.

2. Rights attaching to Performance Rights

- a. A Performance Right entitles its holder to a Share which can be exercised once the Performance Right has become exercisable and provided it has not lapsed.
- b. The Board may determine that certain Performance Conditions must be satisfied or waived before the Performance Right becomes exercisable.
- c. If the Performance Conditions are satisfied, the Performance Rights vest and become exercisable.
- d. A Performance Right does not give the holder a legal or beneficial right to Shares.
- e. Performance Rights do not carry any rights or entitlements to dividends, return of capital or voting in shareholder meetings.
- f. A Performance Right does not entitle the holder to participate in any new issues of securities unless, before the record date for determining entitlements under the new issue, that performance right has vested, been exercised and a share has been issued in respect of that right.

3. Exercise of Performance Rights

- a. Performance Rights will vest and become exercisable if:
 - i. the Performance Conditions set by the Board at the time of the grant are met;
 - ii. an event occurs such as the winding up of the Company; or
 - iii. the Board determines that a Performance Right becomes a vested Performance Right.
- b. Once the Performance Rights become exercisable, the holder will need to exercise those rights to acquire Shares.
- c. The exercise of any vested Performance Right granted under the PSP will be effected in the form and manner determined by the Board.
- d. Consideration, if any, for the issue of Performance Rights will be determined by the Board.

4. Lapse and Forfeiture

- a. The Performance Rights will lapse on their expiry date.
- b. This period may be shortened if the holder ceases to be employed under certain circumstances or where Performance Conditions have not been met.
- c. A Share issued on the exercise of an option will be forfeited upon the holder perpetrating fraud as against, acting dishonestly or committing a breach of its obligations to, the Company or any of its associated bodies corporate.

5. Restrictions

- a. The maximum number of Performance Rights that can be issued under the PSP is that number which equals 5% of the total number of issued Shares in existence from time-to-time subject to the Corporations Act, the ASX Listing Rules or any other statutory or regulatory requirements. Participants in the PSP are prohibited from transferring Performance Rights without the consent of the Board.
- b. Performance Rights will not be listed for quotation on the ASX. Shares issued on exercise of vested Performance Rights will be subject to transfer restrictions as determined by the Board at the time of granting the Performance Right.
- c. In the event of any reconstruction of the issued capital of the Company between the date of allocation of the Performance Rights and the exercise of those rights, the number of Shares to which the holder will become entitled on the exercise of the Performance Right or any amount payable on exercise of the Performance Right will be adjusted as determined by the Board and in accordance with the Listing Rules.

6. Miscellaneous

- a. Subject to the Corporations Act, the Listing Rules and all other applicable laws, the Performance Share Plan Rules may be amended or added to by resolution of the Board.

The Board may at any time waive in whole or in part any terms or conditions (including any Performance Condition) in relation to any Performance Rights granted to any Participant.



Austral Resources Australia Ltd | ACN 142 485 470

Proxy Voting Form

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

Your proxy voting instruction must be received by **9.30am (AEST) on Saturday, 15 October 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

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

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

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



SUBMIT YOUR PROXY VOTE BY PAPER

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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



