



**Suvo Strategic Minerals Limited
ACN 140 316 463**

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held as follows:

Time and date: 10:30am (AWST) on Wednesday, 30 November 2022

In-person: Level 11, 40 The Esplanade, Perth Western Australia 6000

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by telephone on +61 8 6268 2641

Shareholders are urged to vote by lodging the Proxy Form

Suvo Strategic Minerals Limited
ACN 140 316 463
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Suvo Strategic Minerals Limited will be held at Level 11, 40 The Esplanade, Perth Western Australia 6000 on Wednesday, 30 November 2022 at 10:30am (AWST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 28 November 2022 at 10:30am (AWST).

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

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'

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

Resolution 2 – Election of Director – Hendrik Ludik

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

'That, for the purposes of Listing Rule 14.4, Clause 14.4 of the Constitution and for all other purposes, Hendrik Ludik, a Director who was appointed as a Director by the Board of Directors on 14 March 2022, retires and, being eligible, is elected as a Director of the Company, on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 - Election of Director – Oliver Barnes

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

'That, for the purposes of Listing Rule 14.4, Clause 14.4 of the Constitution and for all other purposes, Oliver Barnes, a Director who was appointed as a Director by the Board of Directors on 14 March 2022, retires and, being eligible, is elected as a Director of the Company, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Re-election of Director – Dr Ian Wilson

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

'That, Dr Ian Wilson, who retires in accordance with Clause 14.2 of the Constitution and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Approval of 10% Placement Facility

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

'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Modification of existing Constitution

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

'That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution of the Company be modified by making the amendments contained in the document tabled at this Meeting and signed by the Chair for the purposes of identification, with effect from the date this resolution is passed.'

Resolution 7 – Approval of New Plan

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

*'That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the new employee incentive scheme of the Company known as the "Suvo Strategic Minerals Limited Employee Securities Incentive Plan" (**New Plan**) and the issue of up to 85,000,000 Securities under the New Plan, on the terms and conditions in the Explanatory Memorandum.'*

Resolution 8 – Approval of potential termination benefits under the New Plan

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

'That, conditional on Resolution 7 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the New Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'

Resolution 9 – Appointment of Auditor

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

'That, for the purposes of section 327B(1)(b) of the Corporations Act and for all other purposes, RSM Australia Partners, having consented in writing to act in the capacity of auditor of the Company, be appointed as auditor to the Company, with effect from the close of the Meeting, on the terms and conditions in the Explanatory Memorandum.'

Resolution 10 – Approval of issue of Director Performance Rights

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

'That, pursuant to and in accordance with Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 7,500,000 Director Performance Rights to Mr Aaron Banks (or his nominees) under the Existing Plan on the terms and conditions in the Explanatory Memorandum.'

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 7, Resolution 8 and Resolution 10: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the relevant Resolution if:

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

However, the above prohibition does not apply if:

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

Resolution 8: In addition to the above, in accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the New Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

Resolution 8: Further, in accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote

if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

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

Voting exclusions

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

- (a) **Resolution 5:** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (b) **Resolution 7:** by or on behalf of a person who is eligible to participate in the New Plan, or any of their respective associates.
- (c) **Resolution 10:** by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, or any of their respective associates.

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

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

BY ORDER OF THE BOARD



Chris Achurch
Company Secretary
Suvo Strategic Minerals Limited
Dated: 11 October 2022

Suvo Strategic Minerals Limited
ACN 140 316 463
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 11, 40 The Esplanade, Perth Western Australia 6000 on Wednesday, 30 November 2022 at 10:30am (AWST).

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

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

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Election of Director – Hendrik Ludik
Section 6	Resolution 3 - Election of Director – Oliver Barnes
Section 7	Resolution 4 – Re-election of Director – Ian Wilson
Section 8	Resolution 5 – Approval of 10% Placement Facility
Section 9	Resolution 6 – Modification of existing Constitution
Section 10	Resolution 7 – Approval of New Plan
Section 11	Resolution 8 – Approval of potential termination benefits under the New Plan
Section 12	Resolution 9 – Appointment of Auditor
Section 13	Resolution 10 – Approval of issue of Director Performance Rights
Schedule 1	Definitions
Schedule 2	Summary of material terms of the New Plan
Schedule 3	Summary of material terms of the Existing Plan
Schedule 4	Terms and conditions of Director Performance Rights

Schedule 5	Valuation of Director Performance Rights
Schedule 6	Notice of nomination

2. **Action to be taken by Shareholders**

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

2.1 **Voting in person**

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

2.2 **Voting by proxy**

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

Please note that:

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

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

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:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) 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;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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

- (a) 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;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

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

2.3 **Chair's voting intentions**

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, Resolution 7, Resolution 8 and Resolution 10 even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

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

2.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company at chris@westarcapital.com.au by 28 November 2022.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

3. **Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2022.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://suvo.com.au/investors/asx-announcements/>;

- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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 financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

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

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

4. Resolution 1 – Remuneration Report

4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2022 in the 2022 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2021 annual general meeting held on 17 November 2021. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2023 annual general meeting, this may result in the re-election of the Board.

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

4.2 **Additional information**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

5. **Resolution 2 – Election of Director – Hendrik Ludik**

5.1 **General**

Clause 14.4 of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Clause 14.4 of the Constitution and Listing Rule 14.4 both provide that a Director appointed under Clause 14.4 must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

A Director who retires in accordance with Clause 14.4 holds office until the conclusion of the Meeting but is eligible for election at the Meeting. Accordingly, Hendrik Ludik, a Director appointed on 14 March 2022, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 2.

5.2 **Hendrik Ludik**

Mr Ludik is a mining engineer with a career spanning over 20 years in mining with expertise in engineering, feasibility, mine optimisation, ESG and corporate finance. He has worked for a number of investment banks with over \$10bn in mining transactions since 2006. He holds a BEng in Mining Engineering, MSc in Oil and Gas Engineering and an MBA.

Mr Ludik is currently a non-executive director of Evolution Energy Minerals Limited (ASX:EV1). He does not hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Mr Ludik's background and experience and that these checks did not identify any information of concern.

If elected, Mr Ludik is not considered by the Board (with Mr Ludik abstaining) to be an independent Director because he is employed by the Company in an executive capacity.

Mr Ludik has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

In the event that Resolution 2 is passed, Mr Ludik will be elected as a Director, and if Resolution 2 is not passed, Mr Ludik will not be elected as a Director.

5.3 **Board recommendation**

The Board (other than Hendrik Ludik who has a personal interest in the outcome of this Resolution) supports the election of Mr Ludik and recommends that Shareholders vote in favour of this Resolution.

The Board (with Mr Ludik abstaining) provides the above recommendation as it considers that Mr Ludik brings to a wealth of experience in engineering, feasibility, mine optimisation, ESG and corporate finance. Mr Ludik's technical and commercial skills will be valuable to the Board

during the next stage of the Company's development.

5.4 **Additional information**

Resolution 2 is an ordinary resolution.

6. **Resolution 3 - Election of Director – Oliver Barnes**

6.1 **General**

Clause 14.4 of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Clause 14.4 of the Constitution and Listing Rule 14.4 both provide that a Director appointed to fill a casual vacancy or as an addition to the existing Directors must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

A Director who retires in accordance with Clause 14.4 holds office until the conclusion of the Meeting but is eligible for election at the Meeting. Accordingly, Oliver Barnes, a Director appointed on 14 March 2022, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 3.

6.2 **Oliver Barnes**

Oliver Barnes has over 25 years' experience in natural resources and asset development with expertise in carbon, rural development, ESG and clean technology commercialisation. Mr Barnes was previously the Managing Director of an ASX listed land and water developer and held a senior role with an ASX listed phosphate technology company. He holds a Bachelor of Science in Agriculture Business Management.

Mr Barnes was previously an executive director of Alterra Limited (ASX:1AG). He does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Mr Barnes' background and experience and that these checks did not identify any information of concern.

If elected, Mr Barnes is considered by the Board (with Mr Barnes abstaining) to be an independent Director. Mr Barnes is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Barnes has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

In the event that Resolution 3 is passed, Mr Barnes will be elected as a Director, and if Resolution 3 is not passed, Mr Barnes will not be elected as a Director.

6.3 **Board recommendation**

The Board (other than Oliver Barnes who has a personal interest in the outcome of this Resolution) supports the election of Mr Barnes and recommends that Shareholders vote in

favour of this Resolution.

The Board (with Mr Barnes abstaining) provides the above recommendation as it considers that Mr Barnes brings to Suvo a wealth of experience in natural resources and asset development.

6.4 Additional information

Resolution 3 is an ordinary resolution.

7. Resolution 4 – Re-election of Director – Dr Ian Wilson

7.1 General

Clause 14.2 of the Constitution requires that one third of the Directors (excluding the Managing Director and any Directors seeking election under Clause 14.4) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third). The Directors to retire are those who have held their office as Director for the longest period since their last election. In the event two or more Directors were elected on the same day, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

A director who retires in accordance with Clause 14.2 of the Constitution holds office until the conclusion of the meeting at which that director retires but is eligible for re-election and that re-election takes effect at the conclusion of the meeting.

Ian Wilson, Non-Executive Director, was last elected as a Director at the annual general meeting of the Company held on 24 November 2020, and is the Director who has held office for the longest period without re-election. Accordingly, Ian Wilson, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 4.

7.2 Ian Wilson

Dr. Wilson is an economic geologist with over forty-five years' international experience in industrial minerals. He has held key technical and management positions in a major publicly listed mining and construction enterprise, was a Senior Scientific Officer in what is now the British Geological Survey and has been an independent consultant since 2001. His experience spans the range from exploration and resource estimation to project development and production and includes global and regional marketing for a wide variety of industrial minerals, including kaolin, halloysite, calcium carbonate, talc, bentonite, barytes, magnesite, and others. He has authored many articles in peer-reviewed journals and has been a regular contributor to Industrial Minerals magazine for over 17 years.

Dr Wilson does not currently hold any other material directorships, other than as disclosed in this Notice.

If re-elected, Dr Wilson is considered by the Board (with Dr Wilson abstaining) to be an independent Director.

Dr Wilson has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

In the event that Resolution 4 is passed, Dr Wilson will be re-elected as a Director, and if Resolution 4 is not passed, Dr Wilson will not be re-elected as a Director.

7.3 **Board recommendation**

The Board (other than Ian Wilson who has a personal interest in the outcome of this Resolution) supports the re-election of Dr Wilson and recommends that Shareholders vote in favour of this Resolution.

The Board (with Dr Wilson abstaining) provides the above recommendation as it considers that Dr Wilsons' extensive experience and understanding of the Company's business and the broader industry are and will continue to be invaluable to the Company's development.

7.4 **Additional information**

Resolution 4 is an ordinary resolution.

8. **Resolution 5 – Approval of 10% Placement Facility**

8.1 **General**

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

Resolution 5 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 8.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

8.2 **Listing Rule 7.1A**

(a) **Is the Company an eligible entity?**

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.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$41 million, based on the closing price of Shares (\$0.060) on 11 October 2022.

(b) **What Equity Securities can be issued?**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities, being Shares.

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A = is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (1) the agreement was entered into before the commencement of the Relevant Period; or
 - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
- (E) plus the number of fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity, and 'Relevant Period' has the relevant meaning given in Listing Rule 7.1 and 7.1A.2, namely, the 12 month-period immediately preceding the date of the issue or agreement.

D = is 10%.

E = is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 8.2(e)(i) above, the date on which the Equity Securities are issued, **(Minimum Issue Price)**.

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

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

(10% Placement Period).

(g) **What is the effect of Resolution 5?**

The effect of Resolution 5 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

8.3 **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 8.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 8.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that 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 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,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of convertible securities only if those convertible securities are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 8.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.030 50% decrease in Current Market Price	\$0.060 Current Market Price	\$0.12 100% increase in Current Market Price
682,108,295 Shares	10% Voting Dilution	68,210,829 Shares	68,210,829 Shares	68,210,829 Shares
Variable A	Funds raised	\$2,114,536	\$4,229,071	\$8,458,143
1,023,162,443 Shares	10% Voting Dilution	102,316,244 Shares	102,316,244 Shares	102,316,244 Shares
50% increase in Variable A	Funds raised	\$3,171,804	\$6,343,607	\$12,687,214
1,364,216,590 Shares	10% Voting Dilution	136,421,659 Shares	136,421,659 Shares	136,421,659 Shares
100% increase in Variable A	Funds raised	\$4,229,071	\$8,458,143	\$16,916,286

Notes:

- The table has been prepared on the following assumptions:
 - The issue price is the current market price (\$0.060), being the closing price of the Shares on ASX on 11 October 2022, being the latest practicable date before this Notice was signed.
 - Variable A comprises of 682,108,295 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
 - The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

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%. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(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 10% Placement Facility. The identity of the allottees of 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 issues or other issues in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its 2021 annual general meeting held on 17 November 2021.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued or agreed to issue 55,000,000 Equity Securities under Listing Rule 7.1A, as follows:

Date of issue	Recipient	Number and type of security	Price	Use of funds
14 March 2022	<p>The shares were issued to non-related party investors, who were 'Sophisticated Investors' within the meaning of section 708(8) of the Corporations Act or other investors to whom the Company may issue Shares without a disclosure document pursuant to section 708 of the Corporations Act.</p> <p>Investors were identified through a bookbuild process</p>	55,000,000 fully paid ordinary shares ranking equally with existing shares on issue.	\$0.085 each, representing a 6.25% premium to closing price on the date of issue and an 11% discount on the 15 day VWAP of \$0.096 and a 12.5% discount on the 5 day VWAP of	<p>Cash raised: \$4,675,000</p> <p>Cash spent: (\$2,175,000)</p> <p>Use of funds: Amounts raised will be primarily used to fund the expansion of the Company's Pittong hydrous kaolin plant and also to fast track the completion of</p>

	which involved the Lead Manager in consultation with the Company, seeking expressions of interest to participate in the capital raising from non-related parties.		\$0.097 as at 7 March 2022.	project studies on the Company's Western Australian assets. Intended use of remaining funds: As above.
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At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

8.4 Additional information

Resolution 5 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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

9. Resolution 6 – Modification of existing Constitution

9.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 6 seeks the approval of Shareholders to modify the Company's existing Constitution.

The proposed modifications to the existing Constitution will incorporate recent amendments to the Corporations Act regarding the holding of meetings of Shareholders using virtual meeting technology and the new regime for the making of offers in connection with an employee share scheme under Part 7.12 of the Corporations Act.

The Directors believe that it is preferable in the circumstances to simply modify select provisions of the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the modified Constitution is available for review by Shareholders at the Company's website <https://suvo.com.au/> and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary at

chris@westarcapital.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 6 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution is passed.

9.2 Summary of material proposed changes

(a) Convening a general meeting (Clause 12.3)

The modifications provide for the ability of the Company to hold general meetings using virtual technology only, as well as physical or hybrid meetings. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics).

Set out below are the proposed modifications to Clause 12.3 of the existing Constitution:

Prior to modification:

12.3 Convening of General Meetings of Shareholders by a Director or requisition

Any Director may, whenever he or she thinks fit, convene a general meeting of Shareholders, and a general meeting shall also be convened on requisition as is provided for by the Corporations Act, or in default, may be convened by such requisitions as empowered to do so by the Corporations Act. If there are no Directors for the time being, a Secretary may convene a general meeting of Shareholders for the purpose of enabling the election of Directors but for no other purpose. A general meeting may be held at two or more venues simultaneously using any technology that gives the Shareholders as a whole a reasonable opportunity to participate.

After modification:

12.3 Convening of General Meetings of Shareholders by a Director or requisition

- (a) The Directors may convene and arrange to hold a general meeting of the Company whenever they think fit and must do so if required to do so under the Corporations Act.
- (b) The Company may hold a meeting of Members at a time determined by the Directors:
 - (i) at one or more physical venues;
 - (ii) at one or more physical venues and using virtual meeting technology; and
 - (iii) using virtual meeting technology only,

provided that, in each case, Members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the Directors.

- (c) If the Directors elect to use virtual meeting technology for a general meeting of the Company, the Directors will determine the type of virtual meeting technology to be used, which may include any combination of telephone, video conferencing, messaging, smartphone application or any other audio and/or visual device which permits instantaneous communication.
- (d) Notice of a general meeting must be given in accordance with clause 26, the Corporations Act and the Listing Rules.
- (e) In computing the period of notice under clause 12.3(d), the day of the meeting is to be disregarded.
- (f) A Director is entitled to receive notice of and to attend all general meetings and all separate meetings of the holders of any class of shares in the capital of the Company and is entitled to speak at those meetings.

(b) **Issue cap for offers involving monetary consideration under an employee incentive scheme**

The proposed amendment provides the ability for the Company to increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Plan to 10% (see Resolution 7 below). Set out below is the proposed modification to the existing Constitution.

- (i) Insert as a new definition in Clause 1.1:

ESS Interests has the meaning under section 1100M(1) of the Corporations Act.

- (ii) Insert as a new Clause 2.16:

2.16 Issue cap for offers involving monetary consideration under an employee incentive scheme

For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:

- (a) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and
- (b) the total number of Shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made under the Company's employee share scheme at any time during the 3 year period ending on the day the offer is made,

does not exceed 10% of the number of Shares actually on issue as at the start of the day the offer is made.

9.3 Additional information

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Approval of New Plan

10.1 General

On 1 October 2022, amendments to the Corporations Act will commence, simplifying the process for incentivising participants under employee share schemes (**ESS**). Division 1A will be introduced into Part 7.12 of the Corporations Act, providing a new regime for the making of offers in connection with an ESS (**New Regime**). This regime will replace the current relief afforded by ASIC Class Order 14/1000 (**Class Order**), which has been in force since 30 October 2014.

To ensure that the Company's ESS complies with the New Regime, the Company will adopt, subject to Shareholder approval, a new ESS called the 'Suvo Strategic Minerals Limited Employee Securities Incentive Plan' (the **New Plan**).

Resolution 7 seeks Shareholder approval of the New Plan in accordance with Listing Rule 7.2 exception 13(b).

Under the New Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the New Plan. A summary of the key terms of the New Plan is in Schedule 2. In addition, a copy of the New Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. Shareholders are invited to contact the Company if they have any queries.

10.2 Key changes between the Class Order and New Regime

The following table summarises the key changes that will be implemented by the New Regime for "Invitations" (within the meaning given in the New Plan) made on or after 1 October 2022. These changes are reflected in the New Plan.

	Current position under the Class Order	Position from 1 October 2022
Disclosure obligations	<p>The Class Order mandates certain information that must be provided to ESS participants.</p> <p>There is no difference between the disclosure requirements where ESS interests are offered for monetary consideration or for no monetary consideration.</p>	<p>If the offer of ESS interests is for no monetary consideration: There are no prescribed disclosure obligations, other than a statement that the offer is made under Division 1A.</p> <p>If the offer of ESS interests is for monetary consideration:</p>

	Current position under the Class Order	Position from 1 October 2022
		<ul style="list-style-type: none"> • Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order. • The participant cannot acquire the ESS interests until 14 days after receiving the above disclosure. This mandates a waiting period ensuring a participant has time to consider their decision and seek legal financial advice. • Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.
Eligible participants	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity. 	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Any service providers to the entity (with no minimum requirement of hours of service provided); • Certain 'related persons' to the above.
5% limit	The maximum number of ESS interests that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.	<p>If the offer of ESS interests is for no monetary consideration: There is no limit on the number of such ESS interests that may be issued.</p> <p>If the offer of ESS interests is for monetary consideration: The number of ESS interests issued over a three-year period must not exceed 5% of the issued share capital. Entities may specify a different issue cap in their constitution, which the Company seeks to do under Resolution 6, amending this cap to 10% of its issued share capital.</p>

	Current position under the Class Order	Position from 1 October 2022
Quotation requirement	An entity's shares must have been quoted for three months before the Class Order relief is available.	Newly listed entities can offer ESS interests under the new regime without any minimum quotation period. This will make it much simpler for newly listed entities to offer ESS interests.
Suspension	For the Class Order relief to be available, the entity's shares must not have been suspended for more than 5 days over the previous 12 months.	The new regime permits an entity to offer ESS interests regardless of any suspension to the trading of its shares.
On-sale relief	Relief is provided from the on-sale provisions for securities issued under the Class Order.	There is no equivalent relief under the new provisions. This means cleansing notices (or cleansing prospectuses for entities unable to rely on a cleansing notice) must be issued in order to ensure shares may be on-sold within 12 months of issue.
ASIC involvement	A 'Notice of Reliance' must be submitted to ASIC to rely on the Class Order relief.	<p>There are no ASIC lodgement requirements.</p> <p>ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with.</p> <p>ASIC has also been given express enforcement powers including the ability to issue 'stop orders'.</p>
Criminal offences	N/A	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

10.3 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over

any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 2.

If Resolution 7 is passed, the Company will be able to issue Equity Securities under the New Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the New Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 7 is not passed, any issue of Equity Securities pursuant to the New Plan must either be undertaken using the Company's 15% annual placement capacity under Listing Rule 7.1, or with prior Shareholder approval.

10.4 **Specific information required by Listing Rule 7.2, exception 13(b)**

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the New Plan:

- (a) A summary of the material terms of the New Plan is in Schedule 2.
- (b) As at the date of this Notice, no Equity Securities have been issued under the New Plan.

The Company obtained Shareholder approval for the Existing Plan under Listing Rule 7.2, exception 13(b) at its annual general meeting held on 28 February 2020. Since that date, the Company has issued the following Equity Securities under the Existing Plan:

Issue date	Equity Security	Number of Equity Securities
15 December 2020	Options	500,000 ¹
15 December 2020	Performance Rights	500,000
24 November 2021	Performance Rights	20,400,000 ²

Notes:

1. Of the 500,000 Performance Rights issued on 15 December 2020, the following Performance Rights have been subsequently cancelled:
 - (a) 166,667 Performance Rights cancelled on 7 August 2021; and
 - (b) 166,667 Performance Rights cancelled on 7 August 2022.
 2. Of the 20,400,000 Performance Rights issued on 24 November 2021, the following Performance Rights have been subsequently cancelled:
 - (a) 7,500,000 Performance Rights cancelled on 15 July 2022; and
 - (b) 1,000,000 Performance Rights cancelled on 7 August 2022.
 3. Further to the above, the Company is currently seeking shareholder approval to issue 17,145,000 Performance Rights under the Existing Plan at its upcoming general meeting to be held on 21 October 2022.
- (c) The maximum number of Equity Securities proposed to be issued under the New Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 7 is 85,000,000 (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). This number comprises approximately 12.5% of the Company's Equity Securities currently on issue.
- (d) A voting exclusion statement is included in the Notice.

10.5 **Additional information**

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

11. **Resolution 8 – Approval of potential termination benefits under the New Plan**

11.1 **General**

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the New Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the New Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

The Company has not previously sought and obtained Shareholder approval at an annual general meeting for the granting of such termination benefits. However, as the Company is seeking a fresh approval under Listing Rule 7.2, exception 13(b) at this Meeting (the subject of Resolution 7) to adopt the New Plan, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with this Resolution.

If Resolution 8 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the New Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

11.2 Part 2D.2 of the Corporations Act

Under section 200B 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' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 8, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the New Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

Under the terms of the New Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the New Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the New Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board 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 in respect of any current or future participant in the New Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

11.3 Valuation of the termination benefits

Provided Shareholder approval is given, the value of the termination 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).

The value of the termination benefits that the Board may give under the New Plan 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 Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

11.4 **Additional information**

Resolution 8 is conditional on the passing of Resolution 7.

If Resolution 7 is not approved at the Meeting Resolution 8 will not be put to the Meeting.

Resolution 8 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 8 due to their potential personal interests in the outcome of the Resolution.

12. **Resolution 9 – Appointment of Auditor**

12.1 **General**

After a consultative process, the Board resolved to appoint RSM Australia Partners as the Company's auditor based on the firm's reputation, experience and global recognition.

As a consequence, BDO Audit (WA) Pty Ltd (**BDO Audit**) applied under section 329(5) of the Corporations Act for ASIC's consent to resign as auditor of the Company. Following ASIC's consent to the resignation of BDO Audit, the appointment of RSM Australia Partners as auditor of the Company become effective on 22 April 2022 pursuant to section 327C(1) of the Corporations Act.

Under section 327C(2), any auditor appointed under section 327C(1) of the Corporations Act holds office until the company's next annual general meeting. The Company is therefore required to appoint an auditor of the Company to fill the vacancy in the office of auditor at this annual general meeting pursuant to section 327B of the Corporations Act.

Accordingly, Resolution 9 seeks the approval of Shareholders to appoint RSM Australia Partners as the Company's auditor with effect from the conclusion of this Meeting.

The Company has received written notice of nomination from a member of the Company for RSM Australia Partners to be appointed as the Company's auditor, in accordance with section 328B of the Corporations Act. A copy of the notice of nomination is attached to this Explanatory Memorandum at Schedule 6.

RSM Australia Partners has given its written consent to act as the Company's auditor.

12.2 Additional information

Resolution 9 is an ordinary resolution.

The Board recommends Shareholders vote in favour of this Resolution.

13. Resolution 10 – Approval to issue Director Performance Rights

13.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue 7,500,000 Performance Rights (**Director Performance Rights**) to Mr Aaron Banks (or his nominees), under the Existing Plan.

Subject to Shareholders approving this Resolution, the Director Performance Rights will be issued to Mr Banks (or his nominees) as follows:

Director Performance Rights	Number	Milestone	Expiry Date
Tranche A	2,500,000	The Company achieving Kaolin production of at least 35ktpa across any 12 month period commencing on or after the date of issue.	3 years
Tranche B	2,500,000	The Company achieving Kaolin production of at least 50ktpa across any 12 month period commencing on or after the date of issue.	3 years
Tranche C	2,500,000	The Company's VWAP being at least \$0.18 over 20 consecutive trading days on which the Company's shares have actually traded (commencing after the date of the Meeting).	3 years

The Board considers that Performance Rights, rather than Shares, are an appropriate form of incentive because they reward Mr Banks, a Director of the Company, for the achievement of business objectives over a period of up to 3 years from their date of issue. Additionally, the Director Performance Rights further align the interests of Mr Banks with those of the Shareholders and provide appropriate remuneration for Mr Bank's ongoing commitment and contribution to the Company whilst minimising the expenditure of the Company's cash resources. The Board considers that the number of Director Performance Rights to be granted to the Director is commensurate with their value to the Company and is an appropriate method to provide a cost effective incentive component to their remuneration.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act for the issue of up to 7,500,000 Director Performance Rights under the Existing Plan to Mr Banks (or his nominees).

13.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

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

Approval pursuant to Listing Rule 7.1 and 10.11 are not required for the issue of the Director Performance Rights as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director Performance Rights to Mr Aaron Banks (or his nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolution 10 will be to allow the Company to issue the Director Performance Rights to Mr Banks (or his nominees).

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of up to 7,500,000 Director Performance Rights to Mr Banks (or his nominees) under the Existing Plan, and the Company will have to consider alternative commercial means to incentivise Mr Banks, including by the payment of cash.

13.3 **Specific information required by Listing Rule 10.15**

In accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director Performance Rights:

- (a) the Director Performance Rights will be issued to Mr Aaron Banks (or his nominees);
- (b) Mr Banks is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the Director Performance Rights are issued to a nominee of Mr Banks, that person will fall into the category stipulated by Listing Rule 10.14.2;
- (c) the maximum number of Director Performance Rights to be issued to Mr Banks (or his nominees) is 7,500,000;
- (d) the current total remuneration package for Mr Banks at the date of this Notice is \$240,000 per annum excluding superannuation.
- (e) The Director Performance Rights issued will vest upon satisfaction of the relevant Milestones set out in Section 13.1;
- (f) Mr Banks has previously been issued 7,500,000 Director Performance Rights (approved by Shareholders on 17 November 2021) under the Existing Plan;
- (g) the Director Performance Rights will otherwise be issued on the terms and conditions in Schedule 4;
- (h) The Board considers that Performance Rights, rather than Shares, are an appropriate form of incentive because they reward Mr Banks, a Director of the Company, for the achievement of business objectives over a period of up to 3 years from their date of issue. Additionally, the Director Performance Rights further align the interests of Mr Banks with those of the Shareholders and provide appropriate remuneration for Mr

Bank's ongoing commitment and contribution to the Company whilst minimising the expenditure of the Company's cash resources;

- (i) a valuation of the Director Performance Rights is set out in Schedule 5;
- (j) the Director Performance Rights will be issued as soon as practicable following the Meeting, and in any event, no later than 3 years after the date of the Meeting;
- (k) the Director Performance Rights will have an issue price of nil as they will be issued as part of Mr Banks' remuneration package;
- (l) any Director Performance Rights that have not vested on or before the date that is 3 years after the date of issue will automatically lapse and become incapable of vesting into Shares;
- (m) a summary of the key terms of the Existing Plan is set out in Schedule 3;
- (n) no loan will be provided to Mr Banks in relation to the issue of the Director Performance Rights;
- (o) details of any Securities issued under the Existing Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (p) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Existing Plan Resolution 10 is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14; and
- (q) a voting exclusion statement for Resolution 10 is included in the Agenda of this Notice.

13.4 **Chapter 2E of the Corporations Act**

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

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

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

The grant of the Director Performance Rights constitutes giving a financial benefit and Mr Banks is a related party of the Company by virtue of being a Director.

It is the view of the Board (with Mr Banks abstaining) that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the Director Performance Rights proposed to be issued to the Director pursuant to Resolution 10.

13.5 Information requirements for Chapter 2E of the Corporations Act

In accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Performance Rights:

(a) **Identity of the related parties to whom Resolution 10 permits a financial benefit to be given**

Refer to Section 13.3(a) above.

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

Resolution 10 seeks approval from Shareholders to allow the Company to issue the Director Performance Rights to Mr Banks (a related party of the Company by virtue of being a Director).

The Director Performance Rights are to be issued in accordance with the New Plan and otherwise on the terms and conditions in Schedule 4, subject to Shareholder approval pursuant to Resolution 10.

The Shares to be issued upon conversion of the Director 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.

(c) **Valuation of financial benefit**

A valuation of the Director Performance Rights is set out in Schedule 5.

(d) **Remuneration of Director**

The total annual remuneration of Mr Banks is described in Section 13.3(d) above.

(e) **Existing relevant interests**

At the date of this Notice, Mr Banks (or his nominees), holds the following relevant interest in Equity Securities of the Company.

Director	Shares	Unlisted Options	Performance Rights
Mr Aaron Banks	72,564,516	-	14,166,667 ¹

1. Comprising:

- (a) 7,500,000 Performance Rights subject to the terms and conditions set out in schedule 3 of the Company's 2021 notice of annual general meeting (see announcement dated 14 October 2021); and
- (b) 6,666,667 Performance Rights (remaining from 20,000,000 Performance Rights issued), subject to the terms and conditions set out in section 10.3 the Company's Replacement Prospectus (see announcement dated 5 August 2020).

Assuming that Resolution 10 is approved by Shareholders and, all of the Director Performance Rights applicable to this Resolution are issued, vested and exercised into Shares (in addition to the Performance Rights already issued and shown in the table above), and no other Equity Securities are issued or exercised, Mr Banks will have a relevant interest of 13.9% in the Company's expanded capital, respectively.

(f) **Trading history**

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

Highest: \$0.175 per Share on 21 October 2021

Lowest: \$0.039 per Share on 24 June 2022

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.060 per Share on 11 October 2022.

(g) **Dilution**

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

Director	Proposed maximum issue of Director Performance Rights	Dilutive effect
Aaron Banks	7,500,000	0.11%

The above table assumes the current Share capital structure of the Company as at the date of this Notice (being 682,108,295 Shares on 11 October 2022) and that no other Shares are issued other than the Shares issued on exercise of the Director Performance Rights. The exercise of all of the Director Performance Rights will result in a total dilution of all other Shareholders' holdings of 0.11% (assuming that all of the Director Performance Rights are vested and exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Corporate governance**

Mr Aaron Banks is an executive director of the Company and therefore the Board (other than Mr Banks) believe that the grant of the Director Performance Rights to Mr Banks is in line with Recommendation 8.2 of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

(i) **Taxation consequences**

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

(j) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 10.

13.6 **Additional information**

Resolution 10 is an ordinary resolution.

The Board (other than Mr Banks due to his personal interest in the outcome of the Resolution) recommend that Shareholders vote in favour of Resolution 10.

Schedule 1 Definitions

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

10% Placement Facility	has the meaning in Section 8.1.
10% Placement Period	has the meaning in Section 8.2(f).
\$ or A\$	means Australian Dollars.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2022.
ASX	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Auditor's Report	means the auditor's report contained in the Annual Report.
AWST	means Australian Western Standard Time, being the time in Perth, Western Australia.
BDO Audit	means BDO Audit (WA) Pty Ltd.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Class Order	means ASIC Class Order 14/1000: Employee incentive schemes: Listed bodies.
Company	means Suvo Strategic Minerals Limited (ACN 140 316 463).
Constitution	means the constitution of the Company, as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended.
Director	means a director of the Company.
Director Performance Rights	means the 7,500,000 Performance Rights proposed to be issued to Mr Aaron Banks, the subject of Resolution 10.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.
ESS	means employee share scheme.
Existing Plan	means the existing Performance Rights Option Plan of the Company, approved by Shareholders on 28 February 2020.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.

Financial Report	means the financial report contained in the Annual Report.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Minimum Issue Price	has the meaning in Section 8.2(e).
New Plan	means the proposed new Employee Securities Incentive Plan of the Company, the subject of Resolution 6.
New Regime	means the separate regime under Division 1A of Part 7.12 of the Corporations Act for the making of offers in connection with an ESS.
Notice	means this notice of annual general meeting.
Option	means a right, subject to certain terms and conditions, to acquire a Share.
Performance Right	means a right, subject to certain terms and conditions, to acquire a Share on the satisfaction (or waiver) of certain performance conditions.
Plan Securities	has the meaning given in Section 11.1.
Proxy Form	means the proxy form provided with the Notice.
Remuneration Report	means the remuneration report contained in the Annual Report.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Strike	has the meaning in Section 4.1.
Trading Day	has the same meaning as in the Listing Rules.

VWAP

means the volume weighted average price of trading in Shares on the ASX market and Chi-X market over the relevant period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

Schedule 2 Summary of material terms of the New Plan

The following is a summary of the material terms and conditions of the New Plan:

1. **(Eligible Participant):** A person is eligible to participate in the New Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the New Plan from time to time and are an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company.

This relevantly includes, amongst others:

- (a) an employee or director of the Company or an individual who provides services to the Company;
 - (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
 - (c) a prospective person to whom paragraphs (a) or (b) apply;
 - (d) a person prescribed by the relevant regulations for such purposes; or
 - (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).

2. **(Maximum allocation):**

- (a) The Company must not make an offer of Securities under the New Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:
 - (i) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
 - (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the New Plan 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 or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

3. **(Purpose):** The purpose of the New Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

4. **(Plan administration):** The New Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the New Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the New Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An

invitation issued under the New Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

6. **(Grant of Securities)**: The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the New Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities)**: Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the New Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities)**: Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise)**: To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

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

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

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the New Plan rules: any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the New Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the New Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the New Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the New Plan and determine that any amendments to the New Plan rules be given retrospective effect, immediate effect or future effect.

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

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

Schedule 3 Summary of material terms of the Existing Plan

A summary of the terms of the Existing Plan (**Plan**) is set out below:

1. **Eligibility**

Participants in the Plan consist of:

- (a) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a **Group Company**);
- (b) a full or part time employee of any Group Company;
- (c) a casual employee or contractor of a group company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
- (d) a prospective participant, being a person to whom the offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (a), (b) or (c) above,

who is declared by the Board to be eligible to receive grants of Options or Performance Rights (together, **Awards**) under the Plan (**Eligible Participant**).

2. **Offer**

The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Offer**).

3. **Issue price**

Unless the Awards are quoted on the ASX, Awards issued under the Plan will be issued for no more than nominal cash consideration.

4. **Exercise Price**

The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.

5. **Vesting Conditions**

In respect of any Award, any condition set out in the Offer which must be satisfied (unless waived in accordance with the Plan) before that Award can be exercised or any other restriction on exercise of that Award specified in the Offer or in the Plan (**Vesting Conditions**).

6. **Vesting**

The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a

Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:

- (a) special circumstances arising in relation to a Relevant Person in respect of those Awards, being a Relevant Person ceasing to be an Eligible Participant due to:
 - (i) death or total or permanent disability of a Relevant Person;
 - (ii) retirement or redundancy of a Relevant Person;
 - (iii) a Relevant Person suffering severe financial hardship;
 - (iv) any other circumstance stated to constitute “special circumstances” in the terms of the relevant Offer made to and accepted by the Participant;
 - (v) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant;
- (b) a change of control occurring; or
- (c) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

7. **Lapse of an Award**

An Award will lapse upon the earlier to occur of:

- (a) an unauthorised dealing in, or hedging of, the Award occurring;
- (b) a vesting condition in relation to the Award is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the vesting condition and vest the Award;
- (c) in respect of an unvested Award only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
 - (i) exercises its discretion to vest the Award; or
 - (ii) in its absolute discretion, resolves to allow the unvested Award to remain unvested after the Relevant Person ceases to be an Eligible Participant.
- (d) in respect of a vested Award only, a Relevant Person ceases to be an Eligible Participant and, where required by the Board in its absolute discretion, the vested Performance Right is not exercised within a one (1) month period (or such other period as the Board determines) as notified by the Board to the Participant after the date the Relevant Person ceases to be an Eligible Participant;
- (e) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;

- (f) the Company undergoes a change of control or a winding up resolution or order is made, and the Award does not vest; and
- (g) the expiry date of the Award.

8. **Cashless exercise facility**

If an Eligible Participant wishes to exercise some or all of their vested Options, they may, subject to Board approval, elect to pay the Option Exercise Price by using a cashless exercise facility, which entitles an Eligible Participant to set-off the Option exercise price against the number of Shares which the Participant is entitled to receive upon exercise of the Options as follows:

- (a) the aggregate total Option exercise price otherwise payable in respect of all vested Options exercised, less the aggregate total market value of Shares as at the date the vested Option is exercised that would otherwise be issued or transferred on exercise of the vested Options; and
- (b) divided by the market value of a Share as at the date the vested Option is exercised.

9. **Not transferrable**

Awards are only transferrable in special circumstances or a change of control, and in either case with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the Participant's legal personable representative or upon bankruptcy to the Participant's trustee in bankruptcy.

10. **Shares**

All shares issued on exercise of an Award under the Plan will rank equally in all respects with the shares of the same class for the time being on issue except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue.

11. **Sale Restrictions**

The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.

12. **No Participation Rights**

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

13. **Change in exercise price of number of underlying securities**

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

14. Reorganisation

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

15. Trust

The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.

Schedule 4 Terms and conditions of Director Performance Rights

The grant of the Director Performance Rights (**Performance Rights**) are subject to the terms and conditions below:

1. **Milestones**

The Performance Rights held by the Director (**Holder**) will vest in three tranches subject to satisfaction of the following milestones (each a **Milestone**):

Performance Rights	Number	Milestone	Expiry Date
Tranche A	2,500,000	The Company achieving Kaolin production of at least 35ktpa across any 12 month period commencing on or after the date of issue.	3 years
Tranche B	2,500,000	The Company achieving Kaolin production of at least 50ktpa across any 12 month period commencing on or after the date of issue.	3 years
Tranche C	2,500,000	The Company's VWAP being at least \$0.18 over 20 consecutive trading days on which the Company's shares have actually traded (commencing after the date of the Meeting).	3 years

2. **Notification to Holder**

The Company shall notify the Holder in writing when the Milestone has been satisfied.

3. **Consideration**

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the conversion of the Performance Rights.

4. **Conversion**

Subject to paragraph 15 and satisfaction of the relevant Milestone, each Performance Right will, be at the election of the Holder, convert into one Share.

5. **Lapse of Performance Rights**

Where the Holder becomes a leaver, all unvested Performance Rights will automatically be forfeited and lapse, subject to any determination otherwise by the Board in its sole and absolute discretion. The Board may take into account the Holder's longevity in the role and the reasons for leaving. For example, the Board may, at its sole and absolute discretion, determine that unvested performance right vest upon the holder becoming a leaver due to their role being made redundant, where the Milestones have not been met.

(a) Where, in the opinion of the Board, the Holder:

- (i) acts fraudulently, or dishonestly;
- (ii) wilfully breaches their duties to the Company;
- (iii) is responsible for: material financial misstatements; major negligence; significant legal, regulatory and/or policy non-compliance; or a significant harmful act,

then the Board may, at its sole and absolute discretion, deem some or all of the unvested, or vested but unconverted, Performance Rights to be forfeited and to have lapsed.

Unless the Board otherwise determines in its sole and absolute discretion:

- (b) if the Milestone attaching to a Performance Right has not been satisfied within the period required under the relevant Milestone; or
- (c) the Performance Rights have not converted into Shares within 3 years after the date of issue,

(**Expiry Date**), it will automatically lapse and the Holder shall have no entitlement to the Shares pursuant to those Performance Rights.

6. **Timing of issue of Shares and quotation of Shares on conversion**

As soon as practicable after the valid conversion of a Performance Right by the Holder, the Company will:

- (a) issue, allocate or cause to be transferred to the Holder (or its nominee) the number of Shares to which the Holder is entitled;
- (b) issue a substitute Certificate for any remaining unconverted Performance Rights held by the Holder;
- (c) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

7. **Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of a Performance Right may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

8. **Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

9. **Transfer of Performance Rights**

The Performance Rights are not transferable.

10. **Participation in new issues**

A Performance Right does not entitle a Holder (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

11. **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

12. **Adjustment for bonus issue**

If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the Holder would have received if the Holder had converted the Performance Right before the record date for the bonus issue.

13. **Dividend and Voting Rights**

The Performance Rights do not confer on the Holder an entitlement to vote (except as otherwise required by law) or receive dividends (whether fixed or at the discretion of directors).

14. **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (a) Holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (b) the Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph (i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

15. **No rights to return of capital**

A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

16. **Rights on winding up**

A Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.

17. **No other rights**

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

18. **Change of Control**

Upon:

- (a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (i) having received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (ii) having been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares, Performance Rights will automatically convert into Shares.

Schedule 5 Valuation of Director Performance Rights

Director Performance Rights

Description	Tranche A	Tranche B	Tranche C
Underlying security spot price	\$0.060	\$0.060	\$0.060
Exercise price	Nil	Nil	Nil
Expiry date	3 years after the date of issue	3 years after the date of issue	3 years after the date of issue
Number of performance Rights	2,500,000	2,500,000	2,500,000
Remaining life of Performance Rights	3 years	3 years	3 years
Probability of vesting	100%	100%	N/a – Market based performance hurdle
Estimated number of Performance Rights to vest	2,500,000	2,500,000	N/a – Market based performance hurdle
Valuation per Performance Right	\$0.060	\$0.060	\$0.025
Valuation per tranche	\$150,000	\$150,000	\$62,500

Notes:

- (a) The Director Performance Rights issued will vest upon satisfaction of the relevant Milestones set out in Section 13.1 above.
- (b) A nil dividend yield was assumed on the basis that the Company is unlikely to pay a dividend during the life of the Director Performance Rights.
- (c) The assumed Share price at the grant date of \$0.060 is based on the Share price at the close of trading on 11 October 2022, the valuation date.
- (d) The value of the Tranche C Director Performance Rights has been determined after applying a conventional binomial approximation pricing model based on the following inputs as at 11 October 2022:

Risk free rate: 3.08% (Derived from the 3-year Commonwealth Treasury Bond Rate).

Historical volatility: 100%.

Closing share price: \$0.060 (closing ASX price on 11 October 2022).

Dividend yield: 0.00% (based on actual dividends paid in the previous 12 months).

Schedule 6 Notice of nomination

11 October 2022

The Board of Directors
Suvo Strategic Minerals Limited
Level 11, 40 The Esplanade
Perth WA 6000

Dear Directors

I, Christopher Bryan James Achurch, being a shareholder of Suvo Strategic Minerals Limited (ACN 140 316 463), in accordance with Section 328B(1) of the *Corporations Act 2001* (Cth), hereby nominate RSM Australia Partners of Level 32, Exchange Tower, 2, The Esplanade Perth WA 6000 to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

Yours sincerely

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

Chris Achurch