

Alara Resources

Notice of Annual General Meeting and Explanatory Statement

To Shareholders

Date and Time of Meeting: 1:00 PM (Australian Western Standard Time or Perth time)
on Friday, 25 November 2022

Place of Meeting: Fortuna Advisory Group
Suite 2, 110 Erindale Road
Balcatta Western Australia
AUSTRALIA

PURPOSE OF THIS DOCUMENT

This Notice of Annual General Meeting and Explanatory Statement has been prepared for the purpose of providing Shareholders with all information known to the Company that is material to Shareholders' decision on how to vote on the proposed Resolutions at the Annual General Meeting (**AGM**). Shareholders should read this Notice of Annual General Meeting and Explanatory Statement in full to make an informed decision as to how to vote on the Resolutions to be considered at this Annual General Meeting.

The Chairman of the Annual General Meeting will vote open proxies received *in favour* of all Resolutions to be considered at the Annual General Meeting, except where not permitted to do so by a voting exclusion.

This Notice of Annual General Meeting and Explanatory Statement is dated 20 October 2022.

ASX

A copy of this Notice of Meeting and Explanatory Statement has been lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this document. There was no requirement to lodge a copy of the Notice of Meeting or Explanatory Statement at ASIC for this AGM.

ENQUIRIES

If you have any questions regarding the matters in this Notice of Annual General Meeting and Explanatory Statement, please contact the Company or your professional advisors.



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Notice of Annual General Meeting

The Annual General Meeting of Shareholders of Alara Resources Limited ABN 27 122 892 719 (**Alara** or the **Company**) will be held at the office of **Fortuna Advisory Group, Suite 2, 110 Erindale Road, Balcatta, Western Australia, AUSTRALIA** at **1:00 pm (Australian Western Standard Time or Perth time)** on **Friday, 25 November 2022**.

Agenda

1. 2022 Annual Report

To consider and receive the 2022 Directors' Report, Financial Statements and Audit Report of the Company.

The 2022 Full Year Financial Report and Directors' Report (**2022 Full Year Report**) will be sent to shareholders who elected to receive a printed version, within the Company's 2022 Annual Report. Otherwise, electronic versions of the 2022 Annual Report may be viewed and downloaded from the Company's website: www.alararesources.com.

2. Resolution 1 – Adopt 2022 Remuneration Report

To consider and, if thought fit, to pass the following Resolution as an advisory, non-binding resolution:

"That the Remuneration Report as detailed in the Directors' Report for the financial year ended 30 June 2022 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

A Voting Exclusion applies to this Resolution, on the terms specified in the Explanatory Statement.

3. Resolution 2 – Re-Elect Vikas Jain as a Director

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

"Vikas Jain, being eligible, be re-elected as a Director of the Company."

4. Resolution 3 – Elect Devaki Khimji as a Director

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

"Devaki Khimji (having been appointed by the Board since the last AGM) being eligible, be elected as a Director of the Company."

5. Resolution 4 – Confirm appointment of auditor

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

"For the purposes of section 327B of the Corporations Act 2001 and all other purposes, Rothsay Audit & Assurance Pty Ltd, having consented in writing and being duly nominated by a Shareholder in accordance with section 328B(1) of the Corporations Act 2001, be appointed as auditor of the Company effective from the close of the Meeting."

6. Resolution 5 – Approve 10% Share placement facility

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

"For the purposes of ASX Listing Rule 7.1A and all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the number of ordinary Shares on issue by way of placements over a 12-month period, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2; and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

7. Resolution 6 – Approve prior issue of 8,658,302 Shares to Progesys International FZC

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

"For the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve the issue of 8,658,302 fully paid, ordinary shares in the capital of the Company to Progesys International FZC at an issue price of USD 0.0259 (AUD 0.04) per Share pursuant to an offer exempt from disclosure under section 708 of the Corporations Act 2001 (Cth), on the terms and conditions set out in the Explanatory Statement accompanying this Notice, which were issued on 5 October 2022."

A Voting Exclusion applies to this Resolution, on the terms specified in the Explanatory Statement.

Dated: 20 October 2022


By Order of the Board
Stephen Gethin, Chairman

Explanatory Statement

This Explanatory Statement is provided to the Shareholders of Alara Resources Limited (**Alara** or the **Company**) pursuant to and in satisfaction of the *Corporations Act (Cth) 2001* (**Corporations Act**) and the Listing Rules (**Listing Rules**) of the Australian Securities Exchange (**ASX**). This Explanatory Statement is intended to be read in conjunction with the Notice of Annual General Meeting (**AGM**).

1. Receive 2022 Full-Year Report

Section 317 of the Corporations Act requires the Directors of the Company to lay before the AGM the Directors' Report, Financial Report and the Auditor's Report for the last financial year that ended before the AGM. These reports are contained within the Company's 2022 Financial and Directors' Report (**2022 Full Year Report**) and also within its 2022 Annual Report.

A copy of the 2022 Annual Report will be sent to those shareholders who have elected to receive a printed version. Otherwise, an electronic version of the 2022 Full Year Report and 2022 Annual Report may be viewed and downloaded from the Company's website: www.alararesources.com or the ASX website (www.asx.com.au) under ASX Code: AUQ or emailed to shareholders upon request to info@alararesources.com.

Shareholders will be provided with a reasonable opportunity as a whole to ask questions or make statements in relation to these reports and on the business and operations of the Company but no resolution to adopt the Reports will be put to shareholders at the AGM.

2. Resolution 1 – Adopt 2022 Remuneration Report (Advisory, Non-Binding Resolution)

This Resolution seeks Shareholders' approval to adopt the 30 June 2022 Remuneration Report as disclosed in the Company's 2022 Annual Report (please see above for information on accessing the report).

Section 250R(2) of the Corporations Act requires the Company to present the Remuneration Report to its Shareholders for adoption.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to "Key Management Personnel" (**KMP**) being the Directors and Executives of the Company's consolidated group identified in the Remuneration Report, sets out remuneration details for each KMP and any service agreements and sets out the details of any performance-based and equity based benefits provided to KMP (where applicable).

Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

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

Directors' Recommendations

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this Resolution (set out below), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this Resolution, the Directors unanimously recommend that **Shareholders vote in favour of this Resolution** to adopt the Remuneration Report.

Voting Exclusion

Under s250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution (on the basis that it is connected with the remuneration of members of the Key Management Personnel of the Company's consolidated entity) if:

- the person is either:
 - a member of the Key Management Personnel of the Company's consolidated entity; or
 - a closely related party of a person referred to above; and
- the appointment does not specify the way the proxy is to vote on the resolution.

The above exclusion does not apply if:

- the person is the Chairman of the meeting at which the resolution is voted on; and
- the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel of the Company's consolidated entity.

Shareholders should note that if a Shareholder appoints the Chairman as their proxy, or if the Chairman is appointed by default under the Proxy Form, and the Chairman is not directed as to how to vote on this Resolution, then the Chairman intends to vote any undirected proxies in favour of this Resolution on a poll for this Resolution. Shareholders may also choose to direct the Chairman to vote against this Resolution or to abstain from voting on this Resolution.

The Company encourages Shareholders to indicate their voting direction FOR or AGAINST, or to ABSTAIN, in relation to each Resolution on their Proxy Form, including this Resolution. If a Shareholder appoints the Chairman of the Meeting as their proxy (or the Chairman of the Meeting becomes their proxy by default) the Shareholder may direct the Chairman to vote FOR or AGAINST, or to ABSTAIN from voting on this Resolution by marking the appropriate Voting Direction box opposite that resolution. However, if the Chairman of the Meeting is proxy under the Proxy Form and a Shareholder does not mark any of the Voting Direction boxes opposite this Resolution, the Shareholders is, in effect, directing the Chairman to vote FOR the Resolution, because the Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

3. Resolution 2 – Re-Elect Vikas Jain as a Director

This Resolution seeks shareholder approval for the re-election of Mr Vikas Jain as a Director of the Company.

Mr Jain was appointed a Non-Executive Director on 6 April 2016 and was last re-elected to the board at its AGM in 2020. The Board does not consider Mr Jain to be an independent Director.

In accordance with Listing Rule 14.5 and clause 5.2 of the Constitution, at every annual general meeting the re-election of at least one Director must take place. ASX Listing Rule 14.4 and clause 5.2 of the Constitution prevents a Director from holding office without re-election past the third annual general meeting following the Director's appointment or three (3) years, whichever is longer.

The Director(s) to retire at an AGM are those Directors who have been in office for three (3) years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if two or more Directors have been in office for an equal length of time

which is less than three (3) years, by agreement between them or, in default of agreement, by ballot. The Managing Director is exempt from retirement and re-election.

Mr Jain and the Chairman, Mr Stephen Gethin, are the Directors who have served the longest time in office since last being elected. Where the two longest-serving Directors were last re-elected at the same time, they may agree between themselves which of them is to retire. Mr Jain and Mr Gethin have agreed that Mr Jain will retire at this AGM. Mr Jain, being eligible, offers himself for re-election as a Director.

Mr Jain's qualifications and experience are detailed in the Director's Report in the Company's 2022 Full-Year Report.

The Board considers Mr Jain not to be an independent Director, as he is a substantial Shareholder in the Company.

Directors' Recommendation

The Board (other than Mr Jain, who makes no recommendation in relation to his own re-election) supports the re-election of Mr Jain to the Board of Directors of the Company and recommends that Shareholders **vote in favour** of this Resolution.

4. Resolution 3 – Elect Devaki Khimji as a Director

The Board appointed Devaki Khimji as a Non-Executive Director on 2 February 2022.

The Company's constitution requires a Director who was appointed by the Board since the last AGM to stand for election at the following AGM. Ms Khimji is seeking election as a Director of the Company under this rule.

Ms Khimji's qualifications and experience are detailed in the Director's Report in the Company's 2022 Full-Year Report.

The Board considers Ms Khimji not to be an independent Director. Ms Khimji is the Managing Director of AI Tasnim Infrastructure LLC, which is a substantial Shareholder in the Company.

Directors' Recommendation

The Board (other than Ms Khimji, who makes no recommendation in relation to her own election) supports the election of Ms Khimji to the Board of Directors of the Company and recommends that Shareholders **vote in favour** of this Resolution.

5. Resolution 4 – Approve Appointment of auditor

On 28 September 2022, the Company's Board of Directors appointed Rothsay Audit & Assurance Pty Ltd (**Rothsay Audit & Assurance**) to act as Auditor in accordance with section 327C (1) of the *Corporations Act (Cth) 2001* (the **Act**) on an interim basis, subject to the appointment being confirmed (or otherwise) by Shareholders at the next Annual General Meeting. The Board of Directors made the interim appointment because the Company's previous auditor, Rothsay Auditing (**Outgoing Auditor**), had earlier resigned as auditor, with the consent of ASIC.

The change in auditor occurred as a result of succession to control of the auditing practice conducted by the Outgoing Auditor. There was no disagreement between the Company and the Outgoing Auditor about any issue relevant to the Company's financial statements or financial affairs in general. There will be continuity of key personnel involved in conducting the Company's audits despite the change, as the lead audit partner with responsibility for the Company's audits with the Outgoing Auditor is a Director of Rothsay Audit & Assurance and will continue to be lead audit practitioner for the Company's audits after the change in auditor, until a rotation of lead audit practitioner is required under applicable law.

Under section 327C(2) of the Act, an auditor appointed by the Company's Board of Directors on an interim basis under section 327C(1) of the Act 2001 holds office until the next Annual General Meeting of the company, at which time the person, firm or authorised audit company must be appointed by shareholders. Rothsay Audit & Assurance has given, and has not withdrawn, its consent to act as external auditor of the Company.

The Company now seeks Shareholder approval for the appointment of Rothsay Audit & Assurance as auditor in accordance with section 327C of the Act. In accordance with section 328B(1) of the Act, a written notice nominating Rothsay as the Company's auditor has been given to the Company. A copy of this notice is contained in Schedule 1.

If Resolution 4 is passed, the appointment of Rothsay Audit & Assurance as auditor will continue from the close of the meeting. If Resolution 4 is not passed, the position of the Company's auditor will fall vacant, and the Board will appoint another auditor on an interim basis.

Board Recommendation

The Board recommends that Shareholders **vote in favour** of Resolution 4 to ensure that the Company is not without an auditor for any period.

6. Resolution 5 – Approve 10% Share placement facility (Special Resolution)

Background

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 its Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity which 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 at the time of this Notice of Meeting and expects to remain an eligible entity at the date of the Annual General Meeting.

The Company is seeking Shareholders' approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. As a special resolution, this Resolution requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). If Shareholders approve this Resolution, the number of Equity Securities which the Company may issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, the practical effect of which is explained below.

The key objectives of the Company are to continue its focus on mining project development and mineral resources exploration activities in highly prospective acreage, and the vertical integration of new business opportunities in high equity positions which align with the Company's exploration portfolio. The Company may use the 10% Placement Facility for one or more of: partially funding construction of a 1Mtpa¹ copper processing plant at the Company's flagship Wash-hi-Majaza Copper/Gold Project and acquiring exploration or development opportunities or investments or for exploration activities encompassing drilling and/or feasibility studies of the Company's other projects. Potential uses of funds raised from any issue under LR 7.1A.2 are set out in more detail below.

1 Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV Updates) contain the information required by ASX Listing Rule 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on those dates continue to apply and have not materially changed, except to the extent that a relevant assumption in an earlier announcement referred to above has been updated by an assumption in a later announcement referred to.

Summary of Listing Rule 7.1A**(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholders' approval by way of a special resolution at an Annual General Meeting.

(b) Equity Securities

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 Company. The Company, as at the date of this Notice, has on issue only one class of quoted Equity Securities, namely fully paid, ordinary shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 sets out the prescribed formula for calculating the number of Equity Securities which may be issued under the 10% Placement Facility.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has 718,087,541 Shares on issue. If this Resolution 5 is passed, the Company will have the capacity to issue:

- if Resolution 6 (about ratifying a prior share issue) *is also passed*:
 - 107,713,131 Equity Securities under Listing Rule 7.1; and
 - 71,808,754 Equity Securities under Listing Rule 7.1A
 a total of 179,521,885 Equity Securities; or
- if Resolution 6 *is not* also passed:
 - 97,756,084 Equity Securities under Listing Rule 7.1; and
 - 71,808,754 Equity Securities under Listing Rule 7.1A
 a total of 169,564,838 Equity Securities; or

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be a cash consideration per Equity Security of not less than 75% of the volume-weighted average price (**VWAP**) of Equity Securities in the same class as those to be issued, 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 between 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 (i) above, the date on which the Equity Securities are issued.

Effect of passing a resolution under Listing Rule 7.1A

The effect of this Resolution, if passed will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period (defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Specific information required by Listing Rule 7.3A

The following information is provided under Listing Rule 7.3A in relation to the approval of the 10% Placement Facility:

(f) If given, Shareholders' approval under this Resolution will last until the earlier of:

- 12 months after the date of this AGM;
- the time and date of the Company's 2022 AGM; or
- the time and date of the approval by Shareholders of any transaction under ASX listing rule 11.1.2 (relating to a significant change in the nature or scale of the Company's activities) or 11.2 (relating to the Company disposing of its main undertaking),

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

(g) Any Equity Securities issued under the 10% Placement Facility under Listing Rule 7.1A if this Resolution is passed, will be issued at an issue price not less than the minimum issue price calculated in accordance with paragraph (e) above.**(h) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table, to the extent Shareholders do not receive any Shares under the issue. 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.

(i) The table below shows the dilution of existing Shareholders on the basis of the market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at 20 October 2022.

- (j) The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

| Scenario – Shares Issued Outside Rule 7.1A | Number of Shares | | | Funds Raised if Issue Price is | | | Dilution ⁵ |
|--|----------------------------|-----------------------------|------------------------|--------------------------------|--------------------------------|--------------------------|-----------------------|
| | Total after column 1 issue | No. Issued in 10% Placement | New Total ³ | 50% < current (\$0.0175) | Current ⁴ (\$0.035) | 50% > current (\$0.0525) | |
| 1 Current | 718,087,541 | 71,808,754 | 789,896,295 | \$1,256,653 | \$2,513,306 | \$3,769,960 | 9.09% |
| 2 50% increase¹ | 1,077,131,312 | 107,713,131 | 1,184,844,443 | \$1,884,980 | \$3,769,960 | \$5,654,939 | 39.39% |
| 3 100% increase² | 1,436,175,082 | 143,617,508 | 1,579,792,590 | \$2,513,306 | \$5,026,613 | \$7,539,919 | 54.55% |

Notes:

- 1 The number of Shares on issue (formula variable A) may increase before an issue under Listing Rule (LR) 7.1A as a result of an issue of Shares that does not require Shareholders' approval (such as under a *pro rata* rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under LR 7.1, before any issue under LR 7.1A. In that case, the maximum number of Shares that could be issued under LR 7.1A would be 10% of the new number of shares. This row shows the scenario if there was a 50% increase in the number of Shares on issue before an issue under LR 7.1A.
- 2 This row shows the scenario if there was a 100% increase in the number of Shares on issue before an issue under LR 7.1A. Note 1 explains the circumstances in which this could occur.
- 3 After the issue in Column 1 (if any) plus the issue of a further 10% of the number of Shares in existence after the issue (if any) in Column 1 under LR 7.1A.
- 4 The closing price of Alara shares on ASX on 20 October 2022.
- 5 This is the percentage by which a Shareholder's percentage voting and economic interest (held via Shares) in the Company which they would hold after the issue (if any) in Column 1 and a further 10% issue under LR 7.1A, would be lower than the percentage interest which they held before those issues. This is the same as the percentage of the Company's total shareholding after the issue under LR 7.1A represented by the number of those Shares issued.

The above table has been prepared on the following assumptions:

- (i) Variable A is 718,087,541, being the number of Shares on issue at the date of this Notice of Meeting.
 - (ii) The Company issues the maximum number of Equity Securities (in this case, Shares) available under the 10% Placement Facility.
 - (iii) No Options (including any Listed Options issued under the 10% Placement Facility) are exercised resulting in the issue of Shares before the date of the issue of any Shares under LR 7.1A.
 - (iv) Shareholders approve this Resolution.
 - (v) The table shows only the effect of issues of Shares under Listing Rule 7.1A, and other assumed issues specified in Column 1 of the table. The table does not directly consider the effect of issues under the 15% placement capacity under LR 7.1. (The table does, however, also include scenarios in which there has been a 50% increase, and a 100% increase, in the number of Shares on issue before an issue of Shares under the 10% Placement Facility. Any prior issue or issues of Shares resulting in that hypothetical 50%, or 100%, increase could include an issue under the 15% placement facility under LR 7.1).
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities was comprised of, or included the issue of quoted options, each entitling the holder to be issued with one (1) Share (**Options**), it is assumed that those Options would be exercised, resulting in the issue of fully paid, Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (k) The Company will only issue and allot any Equity Securities under LR 7.1A during the 10% Placement Period. The approval under this Resolution for the issue of the Equity Securities will cease to be valid at the earliest to occur of the times and dates in paragraph (a), above.
- (l) If the Company issues Equity Securities under the 10% Placement Facility, it will do so only for the purpose of raising cash:
- (i) for general working capital;
 - (ii) to enable it to pay consideration for the direct or indirect acquisition of a new actual or potential mineral asset or an interest in a mineral asset, whether directly or by subscribing for shares in or otherwise contributing capital to or lending money to a company which directly or indirectly holds an interest in that asset;
 - (iii) for construction of improvements to an existing asset, such as but not limited to the construction of mine-site or ore processing infrastructure in relation to one or more mineral assets in which the Company presently or in future has a direct or indirect interest;
 - (iv) to fund exploration, development, drilling, geophysical surveying, geotechnical testing, hydrological testing, metallurgical testing or expenditure on geological, geotechnical, geophysical, water, marketing, engineering and other studies, including studies in the nature of or part of a scoping study, preliminary feasibility study or definitive/bankable feasibility study in relation to any mineral asset in which the Company presently or in future has a direct or indirect interest; and/or
 - (v) to repay debt.

Without limiting the above, the Company may not issue Equity Securities under the 10% Placement Facility for a non-cash consideration.

- (m) The Company will comply with its disclosure obligations under LRs 7.1A.4 and 3.10.5A upon issue of any Equity Securities under this approval, if it is given.
- (n) The Company's allocation policy for Shares issued under this approval will be 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 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 security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under any issue under the 10% Placement Facility have not been determined as at the date of this Notice, as the Board has not decided to make a specific issue under this proposed placement facility at the date of this notice. Allottees under any issue under the placement facility but may include existing substantial Shareholders and/or new Shareholders who are not related parties, or associates of a related party, of the Company.

- (o) The Company obtained Shareholders' approval under LR 7.1A at its previous AGM, held on 20 December 2021 (**Prior 7.1A Approval**). The Company did not issue any Shares under Listing Rule 7.1A in the 12-month period ending on the date of this notice of Meeting (21 October 2022) and has no proposal to issue any Equity Securities under LR 7.1A between the date of this Notice of Meeting. The Company does not anticipate any proposal to issue any Equity Securities under LR 7.1A before the date of the Meeting (25 November 2022).
- (p) A voting exclusion statement is not required to be included in this Notice of Meeting, on the basis that the Company is not proposing to make a specific issue of Equity Securities under Listing Rule 7.1A.2 at the time of dispatch of this Notice of Meeting.

At the date of this Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of Equity Securities.

In these circumstances (and in accordance with the note in ASX LR 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A) for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities to be issued under any future decision to use the 10% Placement Facility the subject of this Resolution) Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude the votes of any Shareholder on this Resolution.

No existing Shareholders' votes will therefore be excluded from this Resolution under the voting exclusion in this Notice.

Consequences if this Resolution is passed

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

Under Listing Rule 7.1A, however, an "Eligible Entity" may seek approval from its Shareholders, by way of a special resolution passed at its Annual General Meeting, to increase this 15% limit by an extra 10% to 25%. An "Eligible Entity" means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. Alara is an Eligible Entity for these purposes.

This Resolution seeks Shareholders' approval by way of special resolution for Alara to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholders' approval.

If this Resolution is passed Alara will be able to issue Equity Securities up to the combined 25% limit in Listing Rule 7.1 and 7.1A without any further Shareholders' approval.

Consequences if this Resolution is not passed

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

Directors' Recommendation

The Board believes that the 10% Placement Facility will be beneficial for the Company, as it will give the Company flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote **in favour of this Resolution**.

7. Resolution 6 – Approve (ratify) prior issue of 8,658,302 Shares to Progesys FZC

Resolution 6 seeks Shareholders' approval of the prior issue by the Company of 8,658,302 Shares (**Approval Shares**) at US\$0.0259 (A\$0.04²) per Share to Progesys International FZC (**Progesys FZC**) pursuant to an agreement between Alara and Progesys International LLC (a related company of Progesys FZC) titled *Project Management Consulting Agreement (PMCA)* which is summarised below. The issue of the Approval Shares raised a total of AUD 346,332.00 (the **Approval Issue Proceeds**).

The Approval Shares were issued to Progesys FZC under the PMCA. The PMCA is an agreement between Alara's 51% owned joint venture company Al Hadeetha Resources LLC (**AHRL**) and Progesys International LLC (**Progesys LLC**), a related company of Progesys FZC. Under the PMCA, Progesys LLC is providing project management services to AHRL in relation to the design and construction of AHRL's 1Mtpa³ copper processing plant at the Wash-hi Majaza Mining Licence in Oman.

It is a term of the PMCA that AHRL must procure that Alara issues to Progesys FZC:

- 5,868,725 Shares at US\$0.0259 (A\$0.03972⁴) per Share, which were issued on 10 May 2020, in connection with satisfaction of Milestones 1 – 4 under the PMCA (which have been satisfied) (**Progesys Tranche 1**). The Progesys Tranche 1 shares were issued on 11 May 2020; and
- 8,658,302 Shares, in connection with the completion of Milestones 10 – 16 under the PMCA (which have also been satisfied), for the same price per Share (in USD) as the Progesys Tranche 1 shares (**Approval Shares**),

a total of 14,527,028 Shares.

The Approval Shares are subject to a holding lock (which is referred to as "voluntary escrow" in the ASX Listing Rules). This means that the holder of the Shares is not permitted to sell or otherwise transfer them during the period while the holding lock is in place. The holding lock will be released upon substantial completion of the mining and processing infrastructure for the company's Al Hadeetha copper-gold mine in Oman, which is under development. Completion of this infrastructure is expected to occur in April 2023. (The Progesys Tranche 1 shares are also subject to the same holding lock).

Reason for seeking approval

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

2 At a USD:AUD exchange rate of 1:1.5474 on the date of the issue of the Approval Shares.

3 Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) contain the information required by ASX Listing Rule 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on those dates continue to apply and have not materially changed, except to the extent that a relevant assumption in an earlier announcement referred to above has been updated by an assumption in a later announcement referred to.

4 At a USD:AUD exchange rate of 1:1.5337 at the date of issue.

Listing Rule 7.4, however, provides that an issue of securities made without approval under rule 7.1 is treated as having been made with approval for the purpose of rule 7.1 if each of the following apply:

- the issue did not breach rule 7.1; and
- the holders of the entities ordinary securities subsequently approve it.

Resolution 6 seeks Shareholders' approval to the prior issue of the Approval Shares under and for the purposes of Listing Rule 7.4.

If Resolution 6 *is passed*, the issue of the Approval Shares will be excluded from the calculation of the number of Equity Securities that Alara may issue without Shareholders' approval under Listing Rule 7.1.

If Resolution 6 *is not passed*, the issue of the Approval Shares will not fall within any of the exceptions to Listing Rule 7.1 from the need to obtain Shareholders' approval. Although the issue of the Approval Shares will not exceed the 15% limit in Listing Rule 7.1, and therefore did not require Shareholders' approval under rule 7.1 when made, Alara wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without the requirement to obtain Shareholders' approval under Listing rule 7.1. To do this, Alara is asking Shareholders to approve (ratify) the issue of the Approval Shares under Listing Rule 7.4, so that that issue does not use up of any of the Company's 15% limit on issuing Equity Securities without Shareholders' approval under Listing Rule 7.1.

To this end, Resolution 6 seeks Shareholders' approval to the issue of the Approval Shares under and for the purposes of Listing Rule 7.4.

If Resolution 6 *is passed*, the issue of the Approval Shares will not count towards Alara's 15% limit on issuing Equity Securities in a 12 month period without Shareholders' approval set out in Listing Rule 7.1.

If Resolution 6 *is not passed*, the issue of the Approval Shares will still have been validly made, but it will reduce Alara's capacity to issue Equity Securities without Shareholders' approval under Listing Rule 7.1 for 12 months following the issue of the Approval Shares.

The issue of the Approval Shares comprised approximately 1.22% of the Company's total issued share capital immediately before the issue of those Shares.

Information required by Listing Rules

ASX LR 7.5 sets out a number of matters which must be included in a notice of meeting requesting Shareholders' approval to a prior issue of Equity Securities under LR 7.4. In accordance with ASX LR 7.5, the following information is provided to shareholders to assist them to assess whether to approve Resolution 6:

Approval Shares

- All the Approval Shares were issued to Progesys FZC.
- The Approval Shares were 8,658,302 fully paid ordinary shares (**Shares**).
- The Company issued the Approval Shares on 5 October 2022.
- The Approval Shares were issued at price of USD 0.0259 (AUD 0.04⁵) per Share, raising a total of AUD 346,332.00.
- The Company issued the Approval Shares to enable its 51% controlled joint venture entity Al Hadeetha Resources LLC to comply with its obligation under the PMC Contract to arrange for the Company to issue those shares (which contract is explained in the introductory part of the section of this Explanatory Memorandum relating to this Resolution 6). Funds raised from the issue of the Approval Shares (after paying any expenses of the issue) were added to the Company's general working capital, which the Company expends to pay the costs of the advancement of exploration, evaluation and development of the Company's resource projects and for being the Company's general expenses.
- The Approval Shares were issued under an agreement – the PMC Agreement. The material terms of the PMC Agreement are fully disclosed above, in the introductory part of the section of this Explanatory Memorandum relating to this Resolution 6..
- Progesys FZC is not a related party or an associate of the Company.

Consequences if Resolution is passed

If this Resolution is passed, the issue of the Approval Shares will be excluded from the calculation of whether Alara has used up any of the 15% limit on issuing Equity Securities without Shareholders' approval set out in Listing Rule 7.1. If this Resolution is passed, the Company would have the ability to issue 107,713,131 Shares under LR 7.1 without Shareholders' further approval (assuming no other shares are issued, which would affect the way in which the 15% limit is calculated).

Consequences if Resolution is not passed

If this Resolution is not passed, the prior issue of the Approval Shares would not be taken to come within any of the exceptions to Listing Rule 7.1 to the need to obtain Shareholders' approval. If this Resolution is not passed, the Company will still need to count the 8,658,302 Approval Shares against its capacity to issue 15% of the total number of Equity Securities on issue until and including 4 October 2023 (the day before the anniversary of the issue of the Approval Shares). Each of the above two scenarios assume that no other Shares or other Equity Securities are issued in the 12 months from 5 October 2022 to 4 October 2023 (end dates included), as that would affect the way in which the 15% limit is calculated.

Directors' Recommendations

The Directors believe that a "refreshment" of the Company's capacity to issue up to 15% of the securities of the Company on issue in a 12 month period under ASX LR 7.1 is in the best interests of the Company. Therefore, the Directors unanimously recommend that Shareholders vote *in favour* of Resolution 6.

Voting Exclusion

In accordance with ASX LRs 7.5 and 14.11, the Company will disregard any votes cast on Resolution 6 by Progesys LLC, Progesys FZC and any associate of either of those companies. However, this does not apply to a vote cast in favour of this resolution by:

- a person who is a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

⁵ See footnote 1.

- a holder acting solely in a nominee, trustee, custody or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

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Glossary

In this Explanatory Statement, the following terms have the following meaning:

2022 Annual Report means the Company's annual report for the year ended 30 June 2022, which can be downloaded from the Company's website at www.alararesources.com.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 724 791) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules, Listing Rules or LRs means the official Listing Rules of ASX.

Board means the Board of Directors of the Company.

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the Corporations Regulations.

Company means Alara Resources Limited (ABN 27 122 892 719).

Constitution means the Company's constitution.

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

Director means a director of the Company.

Equity Securities has the meaning given in the Listing Rules.

Explanatory Statement means the explanatory statement to this Notice.

Key Management Personnel means the Directors and Executives of the Company's consolidated group, as identified in the Company's Remuneration Report (which is included in its 2022 Annual Report).

Meeting means the meeting convened by the Notice.

Notice or Notice of Meeting means the notice of meeting accompanying this Explanatory Statement.

Option means an option which entitles the holder to be issued with a Share on electing to do so (**Exercising** the Option) within a specified period, which also requires the holder to pay a specified amount. The option holder's right to exercise the option may also be subject to one or more conditions being satisfied which, if they exist, are specified as part of the terms of the Option.

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" in the 2022 Annual Report.

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

Shareholder means a shareholder of the Company.

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Schedule – Nomination of Auditor

20 October 2022

The Company Secretary
Alara Resources Limited
C/- Fortuna Advisory Group
Suite 2, 110 Erindale Road
Balclatta Western Australia 6021

Dear Sir

Notice of Nomination of Auditor

I am a shareholder of Alara Resources Limited. For the purposes of section 328B(1) of the *Corporations Act 2001*, I nominate *Rothsay Audit & Assurance Pty Ltd* to be appointed as auditor of the Company at the Annual General Meeting of the Company to be held on 25 November 2022.

Yours faithfully



Stephen J. Gethin

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Time and Place of AGM and how to Vote

Venue

The Annual General Meeting of the shareholders of Alara Resources Limited will be held at the office of **Fortuna Advisory Group, Suite 1.02, 110 Erindale Road, Balcatta, Western Australia at 1:00 pm (Australian Western Standard Time or Perth time) on Friday, 25 November 2022.**

Voting Rights

(subject to the voting exclusions noted in the Notice of AGM)

- At any meeting of the shareholders, each shareholder entitled to vote may vote in person or by proxy or by power of attorney or, in the case of a shareholder which is a corporation, by representative.
- Every person who is present in the capacity of shareholder or the representative of a corporate shareholder shall, on a show of hands, have one vote.
- Every shareholder who is present in person, by proxy, by power of attorney or by corporate representative shall, on a poll, have one vote in respect of every fully paid share held by him.

Voting in Person

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

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- by mail to Alara Resources Limited, PO Box 963, Balcatta WA 6914;
- by hand delivery to Alara Resources Limited, Office of Fortuna Advisory Group, Suite 2, 110 Erindale Road, Balcatta, Western Australia; or
- by e-mail to cosec@alararesources.com.

so that it is received **not later than 1:00 pm (Australian Western Standard Time or Perth time) on Wednesday, 23 November 2022.**

Proxies received after that time, or received by fax or other method, will **not** be effective.

Bodies Corporate

A body corporate may appoint an individual as its authorised corporate representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. A properly executed original (or certified copy) of an appropriate "Appointment of Corporate Representative" should be produced for admission to the meeting. Previously lodged Appointments of Corporate Representative will be disregarded by the Company.

Voting by Attorney

A shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the Annual General Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the Annual General Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

Voting Entitlement

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Annual General Meeting all shares in the Company will be taken to be held by the persons who held them as registered shareholders at 4:00 pm (Australian Western Standard Time or Perth time, being 7:00 pm, Australian Eastern Daylight Time or Sydney time) on **Wednesday, 23 November 2022 (Voting Entitlement Time)**. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

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PROXY FORM

Annual General Meeting

Alara Resources Limited

A.B.N. 27 122 892 719

Website: www.alararesources.com

Lodge Your Vote

By mail: Alara Resources Limited

PO Box 963

Balcatta 6914

Western Australia

AUSTRALIA

By email: cosec@alararesources.com

Enquiries: +61 8 9240 4211 or cosec@alararesources.com

Sample only – do not complete this version. Individualised Proxies are being sent to Shareholders

{Name1}
{Name2}
{Name3}
{Name4}
{Name5}
{Name6}, {POSTCODE}

Our reference: AUQ / {S-REG} / {SEQUENCE}

Shareholding on 20 October 2022: {CURRENT_UNITS}

Current election to receive hard copy annual report: {ANNUAL_REPORT}

A. Appointment of Proxy

I/we being a Shareholder(s) of Alara Resources Limited and entitled to attend and vote, hereby appoint:

The Chair of the Meeting

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or, failing the person named above or if no person is named above, the Chairman of the Meeting (by default) as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the directions below (or if no directions have been given below, as the proxy sees fit) at the Annual General Meeting of Alara Resources Limited to be held at the office of **Fortuna Advisory Group, Suite 2, 110 Erindale Road, Balcatta, Western Australia, AUSTRALIA at 1:00 pm** (Australian Western Standard Time or Perth time) on **Friday, 25 November 2022** and at any adjournment of that Annual General Meeting.

Important:

The Company encourages Shareholders to indicate their voting direction FOR or AGAINST, or to ABSTAIN, against each resolution in Section B, below.

If you leave Section A, above, blank or if your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy by default.

If the Chair of the Meeting becomes your proxy (by specific appointment or by default) you can direct the Chair of the Meeting to vote FOR or AGAINST, or to ABSTAIN from voting on, each of the Resolutions by marking the appropriate Voting Direction boxes in Section B below. However, note that under Section A, if the Chair of the Meeting is your proxy and you do not mark a Voting Direction box for any Resolution in Section B below you are, in effect, directing the Chair to vote "For" that Resolution. That is to say, the Chair will vote all undirected proxies on any Resolution *in favour* of that Resolution.

Your Acknowledgements on the Remuneration-Related Resolution

Chairman's intention to vote undirected proxies: I/we acknowledge that the Chairman of the Meeting intends to vote undirected proxies *in favour* of Resolution 1.

Direction to Chairman for voting on **Resolution 1**: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default) but I/we have not marked any of the boxes opposite **Resolution 1** in Section B below, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of **Resolution 1** even though the Chairman is, and those items are connected directly or indirectly with the remuneration of, a member of Key Management Personnel for the Company.

B. Voting directions to your proxy – please mark to indicate your directions

RESOLUTIONS

| | For | Against | Abstain* |
|--|--------------------------|--------------------------|--------------------------|
| (1) Adopt Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (2) Re-Elect Vikas Jain as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (3) Elect Devaki Khimji as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (4) Confirm appointment of auditor | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (5) Approve 10% Share placement facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (6) Ratify prior issue of Shares to Progesys International FZC | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If (2) two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

* If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

C. Change of Address and Annual Report Election (refer notes 1 and 2 overleaf)

- mark if you want to make any changes to your address details
- mark if you wish to receive a printed Annual Report by post
- mark if you wish to receive an electronic Annual Report by email and specify your email address below.

D. Please Sign Here

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Sample – please do not sign

Sole Director and Sole Company Secretary

Joint Shareholder 2

Sample – please do not sign

Director

Joint Shareholder 3

Sample – please do not sign

Director / Company Secretary

Contact Name

Email Address

{PHONE}

Contact Daytime Telephone

{EMAIL}

Date

Instructions for Completing Proxy Form

1. Change of Address

Your pre-printed name and address is shown as it appears on the share register of Alara Resources Limited. If this information is incorrect, please mark the box at **Section C** of the proxy form and make the correction at the top of the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Annual Report Elections

Companies are no longer required to mail out printed Annual Reports to Shareholders. Instead, Shareholders can now make an election as follows:

- (a) make a written request for a hard copy annual report to be mailed to you; or
- (b) make a written request for an electronic copy of the annual report to be emailed to you.

If you wish to update your Annual Report elections, please complete **Section C** of the Proxy Form.

3. Voting on Remuneration Matters

The Company will disregard any votes cast on Resolution 1 (Adoption of Remuneration Report) by or on behalf of a "Key Management Personnel" (as defined in the Accounting Standards) and their "Closely Related Parties" (as defined in the *Corporations Act 2001*) (**Restricted Voter**). Key Management Personnel (**KMP**) are the Company's Directors and Executives identified in the Company's Remuneration Report. A Closely Related Party of a KMP means a spouse or child of the KMP, a child of the KMP's spouse, a dependant of the KMP or the KMP's spouse, anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the Company, or a company the KMP controls. The Company need not disregard a vote if a vote is cast by a KMP on Resolution 1 as a proxy, for a person other than a Restricted Voter, and either:

- (a) you directed the KMP the way they are to vote on Resolution 1; or
- (b) if the Chairman is your proxy, you expressly authorise him to vote as he sees fit on Resolution 1 under the Proxy Form even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders may also choose to direct the Chairman to vote against these resolutions or to abstain from voting.

4. You may direct your proxy how to vote by marking one of the voting-direction boxes opposition each resolution. If you do not mark a voting direction box your proxy may, to the extent permitted by law, vote as they choose. If you mark more than one voting direction box on a Resolution your vote will be invalid on that Resolution.
5. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting.
6. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two (2) proxies. Where two (2) proxies are appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two (2) proxies and the appointments do not specify each proxy's proportion of the Shareholder's votes, each proxy may exercise half of those votes.
7. A proxy need not be a Shareholder of the Company.
8. If you mark the "abstain" box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.
9. If a representative of a Shareholder which is a company is to attend the meeting and the Shareholder does not appoint the representative as a proxy, the representative must produce a properly executed original (or copy certified as correct by a lawyer) of an "Appointment of Corporate Representative" for admission to the meeting instead. Appointments of Corporate Representative lodged for previous meetings will be disregarded by the Company.
10. **Signing Instructions**

You must sign this form as follows in the spaces provided at **Section D**, depending on which type of Shareholder you are:

Individual Shareholder: Where the shareholding is the name of one individual, that individual must sign.

Two or more individuals are joint Shareholders: Where the holding is in the name of two or more individuals, all of those individuals must sign.

Shareholder which is a company:

- **Sole Director Company (with a Secretary)** Where the Shareholder is a company which has a sole Director who is also the sole Company Secretary, that person must sign this form.
- **Sole Director Company (with no Secretary)** Where the Shareholder is a company which has a sole Director but *does not have* a Company Secretary, the Director must sign by their sole signature, *but the proxy is valid only if they are authorised to sign so by a resolution of the sole Director giving themselves that power.* (We reserve the right to request evidence of the sole Director's authority to sign a proxy for a company of that kind, and to exclude the proxy if that evidence is not provided by the cut-off time for proxies, stated below.)
- **Two or more Directors** This form must be signed by a Director and either: a) another Director, or b) the Company Secretary. Please indicate the office which is held by each signatory by them signing in the appropriate box.

Signing the Proxy under a Power of Attorney: If you are signing under a Power of Attorney, you must lodge an original or certified copy of the appropriate Power of Attorney with your completed Proxy Form and produce a properly executed original (or copy of the proxy certified as correct by a lawyer or other person authorised by law to be a witness to a statutory declaration or equivalent type of document under the law of the place of residence of the Shareholder) of that Power of Attorney at the General Meeting.

11. Cut-off time for new Shareholders

Under regulation 7.11.37 of the Corporations Regulations, for the purposes of this Annual General Meeting (**AGM**), Shares in the Company will be taken to be held by the companies or individuals who are the registered holders of the Shares at **4:00 pm** (Australian Western Standard Time or Perth time) which is 7:00 pm Australian Eastern Daylight Time or Sydney time) on **Wednesday, 23 November 2022**. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at this AGM.

12. How and when to lodge a Proxy

By Post:

Alara Resources Limited
C/- Fortuna Advisory Group
PO Box 963
Balcatta Western Australia 6914
AUSTRALIA

By Hand/Courier Delivery:

(Please do **not post** to this address)
Alara Resources Limited
C/- Fortuna Advisory Group
Suite 2, 110 Erindale Road
Balcatta Western Australia AUSTRALIA

By E-Mail:

cossec@alararesources.com

This Proxy Form (and the original or certified copy of any Power of Attorney under which it is signed) must be received at the address below by **1:00 PM, Australian Western Standard Time or Perth time on Wednesday, 23 November 2022** (48 hours before the commencement of the meeting). Any Proxy Form received after that time **will not be valid** for the meeting. **Proxy Forms may be lodged** by posting, delivery or e-mail to the addresses below. Proxies are **not accepted** by fax.