



Golden State Mining Limited
ABN 52 621 105 995

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting
25 November 2022

Time of Meeting
12:00 pm (AWST)

Place of Meeting
Stantons
Level 2, 40 Kings Park Road
WEST PERTH WA 6005

This Notice of Annual General Meeting should be read in its entirety. If in doubt as to how to should vote, seek advice from an accountant, solicitor or other professional adviser prior to voting.

*The **2022 Annual Report** may be viewed on the Company's website at www.goldenstatemining.com.au*

Golden State Mining Limited ABN 52 621 105 995
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2022 annual general meeting (**Meeting**) of Golden State Mining Limited (**Company**) will be held at the Stantons, 40 Kings Park Road, West Perth, Western Australia on 25 November 2022 at 12:00 pm (AWST).

The Explanatory Statement to this Notice provides information on matters to be considered at the meeting. The Explanatory Statement and the Proxy Form are part of this Notice.

Capitalised terms and abbreviations used in this Notice and Explanatory Statement will, unless the context requires, have the same meaning as given to them in the Glossary.

AGENDA

2022 FINANCIAL STATEMENTS AND REPORTS

To receive the Financial Report, together with the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2022.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2022 Annual Report be and is hereby adopted."

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

Voting Prohibition: A vote must not be cast (in any capacity) on Resolution 1 by or on behalf of either:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, such a person may cast a vote on the Resolution if the vote is not cast on behalf of such a person and the person:

- (c) is appointed as a proxy by writing that specifies the way the proxy is to vote; or
- (d) is the Chair of the meeting and the appointment of the Chair as proxy expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 2 – RE-ELECTION OF MR GREG HANCOCK AS A DIRECTOR

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

"That, for the purpose of ASX Listing Rule 14.4, article 14.2 of the Constitution and for all other purposes, Mr Greg Hancock retires by rotation as a Director and, being eligible and having offered himself for re-election, be re-elected a Director of the Company."

RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY

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

"That approval is given for the Company to have the additional capacity (i.e, 10% Placement Facility) to issue Equity Securities under Listing Rule 7.1A.2, for the period specified in Listing Rule 7.1A.1 (ie, 10% Placement Period) and in accordance with the formula prescribed in Listing Rule 7.1A.2."

RESOLUTION 4 – ISSUE OF OPTIONS – DIRECTOR DAMIEN KELLY

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,400,000 Options to Director Damien Kelly, or his nominee, on the terms and conditions set out in the Explanatory Statement and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act."

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Damien Kelly and any other person who will receive a material benefit as a result of the issue (except a benefit solely by reason of being a holder of Shares), or any of their

Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this 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 if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 5 – ISSUE OF OPTIONS – DIRECTOR MICHAEL MOORE

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

“That, for the purposes of ASX Listing Rules 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Director Michael Moore, or his nominee, on the terms and conditions set out in the Explanatory Statement and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Michael Moore and any other person who will receive a material benefit as a result of the issue (except a benefit solely by reason of being a holder of Shares), or any of their Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this 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 if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 6 – ISSUE OF OPTIONS – DIRECTOR GREG HANCOCK

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

“That, for the purposes of ASX Listing Rules 10.11 and for all other purposes, approval is given for the Company to issue 1,600,000 Options to Director Greg Hancock, or his nominee, on the terms and conditions set out in the Explanatory Statement and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Greg Hancock and any other person who will receive a material benefit as a result of the issue (except a benefit solely by reason of being a holder of Shares), or any of their Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this 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 if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 7 – ISSUE OF OPTIONS – DIRECTOR BRENTON SIGGS

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

“That, for the purposes of ASX Listing Rules 10.11 and for all other purposes, approval is given for the Company to issue 1,600,000 Options to Director Brenton Siggs, or his nominee, on the terms and conditions set out in the Explanatory Statement and further resolve that this constitutes reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Brenton Siggs and any other person who will receive a material benefit as a result of the issue (except a benefit solely by reason of being a holder of Shares), or any of their Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this 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 if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 8 – RATIFICATION OF AGREEMENT TO ISSUE OPTIONS (GEOFF WILLETTS)

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the agreement to issue 2,400,000 Options to employee Geoff Willetts (or his nominee) under the Company’s placement capacity under ASX Listing Rule 7.1.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Geoff Willetts or any of his Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

RESOLUTION 9 – RATIFICATION OF AGREEMENT TO ISSUE OPTIONS (MARC BOUDAMES)

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the agreement to issue 800,000 Options to Company Secretary Marc Boudames (or his nominee) under the Company’s placement capacity under ASX Listing Rule 7.1.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by Marc Boudames or any of his Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES FOR RESTRUCTURING THE CUE ROYALTY

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue on 18 August 2022 of 592,885 Shares to Western Mining Pty Ltd as part consideration for restructuring the Cue Royalty on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by Western Mining Pty Ltd or any of its Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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.

RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF OPTIONS FOR RESTRUCTURING THE CUE ROYALTY

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue on 18 August 2022 of 100,000 options (exercisable at \$0.10 each; expiring 12 August 2024) to Western Mining Pty Ltd as part consideration for restructuring the Cue Royalty on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by Western Mining Pty Ltd or any of its Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (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:
 - (iii) 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
 - (iv) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

OTHER BUSINESS

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

Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a **proxy**) to vote in their place.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- 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.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 12:00 pm (AWST) on 23 November 2022 by:

1. Post to Automic Group, GPO Box 5193, Sydney NSW 2001;
2. In person to Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000
3. Fax to Automic Group: +61 2 8583 3040
4. Email to Automic Group: meetings@automicgroup.com.au; or
5. Online in accordance with the personalised Proxy Form provided.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

Entitlement to Vote

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 4.00pm (AWST) on 23 November 2022 will be entitled to attend and vote at the Annual General Meeting.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

Electronic Communication

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

Voting of Proxies

The Proxy Form accompanying this Notice confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By order of the Board.

Marc Boudames

Company Secretary

Date: 25 October 2022

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and comprises part of the notice (**Notice**) convening the Annual General Meeting (**Meeting**) of Shareholders of Golden State Mining Limited to be held at 12.00 pm (WST) on 25 November 2022.

Capitalised terms in this Explanatory Statement are defined in the Glossary.

FINANCIAL STATEMENTS AND REPORTS

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 a reasonable opportunity to:

- (a) discuss the Annual Report which is available online from the Company's website www.goldenstatemining.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the AGM,

may be submitted no later than 5 business days before the Meeting to the Company by email at info@gsmining.com.au or delivered to the Company's registered office.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R of the Corporations Act requires the Company to put the Remuneration Report to members for adoption. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site www.goldenstatemining.com.au.

The vote of the members is advisory only and does not bind the Directors of the Company.

Following consideration of the Remuneration Report, members will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Chair intends to exercise all available proxies in favour of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF MR GREG HANCOCK AS A DIRECTOR

Listing Rule 14.4 provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 14.2 of the Constitution provides that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Mr Hancock was appointed as a Director upon the Company's incorporation on 6 April 2019 and was re-elected as a Director at the 2019 AGM on 29 November 2019. He retires in accordance with the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election.

Mr Hancock has over 25 years' experience in capital markets practicing in the area of Corporate Finance. He has extensive experience in both Australia and the United Kingdom through his close links to the stockbroking and investment banking community. In this time, he has specialised in mining and natural resources and has had a background in the finance and management of small companies.

He is Chairman of AusQuest Limited, BMG Resources Limited, Cobra Resources Plc, Triangle Energy (Global) Limited

and Non-Executive Director of Group 6 Metals Limited. Mr Hancock was also a director of Strata-X Energy Ltd (since renamed Pure Hydrogen Corporation Limited) until March 2021.

Mr Hancock continues his close association with the capital markets in Australia and the United Kingdom through his private company Hancock Corporate Investments Pty Ltd.

Board recommendation

The Directors, apart from Mr Hancock, supports the re-election of Mr Hancock and recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY

General

ASX Listing Rule 7.1A provides that, in addition to the 15% placement capacity permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue, during the period the approval is valid, a number of quoted Equity Securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period as adjusted in accordance with the formula in ASX Listing Rule 7.1 (**10% Placement Facility**).

An eligible entity is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis). The Company is an eligible entity.

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 has one class of quoted equity securities on issue, being ordinary shares (ASX Code: GSM).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue quoted Equity Securities under the 10% Placement Facility available under ASX Listing Rule 7.1A. The maximum number of quoted Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue quoted Equity Securities without Shareholder approval available under ASX Listing Rule 7.1A, and will remain subject to the 15% limit on issuing (or agreeing to issue) Equity Securities without Shareholder approval set out in ASX Listing Rule 7.1.

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

Description of Listing Rule 7.1A and information required by Listing Rule 7.3A

(a) 10% Placement Period

If Shareholders approve Resolution 3, the Company's ability to issue quoted Equity Securities under the 10% Placement Facility will commence on the date of the Meeting and expire on the first to occur of the following:

- (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;
- (iii) the time and date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.1 or 11.2, (the **10% Placement Period**).

(b) Minimum Issue Price

The issue price of quoted 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 market price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the 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 (a) above, the date on which the Equity Securities are issued.

(c) **Purpose of Funds Raised**

Funds raised from the issue of quoted Equity Securities under the 10% Placement Facility are intended to be used towards advancing existing assets and investments, the acquisition and development of new assets and investments, corporate and administration costs and working capital.

(d) **Economic and Voting Dilution Risk**

If Resolution 3 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 (in the case of Options, only if the Options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the 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.

The table below shows the dilution of existing Shareholders on the basis of 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) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100% and the voting dilution impact of such an increase. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0195 (50% decrease in current issue price)	\$0.039 (Current issue price)	\$0.078 (100% increase in current issue price)
117,014,204 (Current Variable A)	Shares issued – 10% voting dilution	11,701,420		
	Funds raised	\$228,178	\$456,355	\$912,711
175,521,306 (50% increase in Variable A)	Shares issued – 10% voting dilution	17,552,130		
	Funds raised	\$342,267	\$684,533	\$1,369,066
234,028,408 (100% increase in Variable A)	Shares issued – 10% voting dilution	23,402,841		
	Funds raised	\$456,355	\$912,711	\$1,825,422

The table has been prepared on the following assumptions.

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options or Performance Rights (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) 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%.
- (iv) 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. All Shareholders should consider the dilution caused by their own shareholding depending on the specific circumstances.
- (v) 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.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity

Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

(vii) The current issue price is \$0.039 being the closing price of the Shares on the ASX on 21 October 2022.

(viii) The Company will only issue the Equity Securities during the 10% Placement Period.

(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 recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors set out in the Company's allocation policy, including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue 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 recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Substantial Holders and/or new Shareholders who are not related parties or associates of a related party of the Company.

(f) **Use of 10% Placement Facility in prior 12 months**

The Company obtained Shareholders approval for its 10% Placement Facility at its previous annual general meeting held on 26 November 2021.

During the 12 month period preceding the date of this Meeting, being on and from 25 November 2022, the Company has issued a total of 8,308,798 Equity Securities under ASX Listing Rule 7.1A.2, which represents 10% of the total number of the Equity Securities on issue in the Company on 25 November 2021, which was 83,087,985.

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable)	Form of consideration
19/04/2022	8,308,798	Fully paid ordinary shares ¹	Placement to sophisticated & professional investors who are clients of Euroz Hartleys as announced to the ASX on 8 April 2022	\$0.075 per share. Discount 24%	Cash received = \$623,160 Cash remaining – nil. Cash used towards funding Four Mile Well Gold and Yule Gold & Lithium drilling programs, Payne's exploration, corporate overheads and general working capital.

Notes:

- (1) Fully paid ordinary shares in the capital of the Company, ASX Code: GSM (terms are set out in the Constitution).

(g) **Voting Exclusion**

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

RESOLUTIONS 4 TO 7 - ISSUE OF OPTIONS TO DIRECTORS

General

The Company has entered into a Deed with each Director of the Company, being Messrs Damien Kelly, Michael Moore, Greg Hancock and Brenton Siggs (each a **"Related Party"** and together the **"Related Parties"**) whereby, subject to Shareholder approval under ASX Listing Rule 10.11, the Company has agreed to issue a total of 8,600,000 Options (exercise price \$0.10, expiring 20 December 2024 (**Options**)) to the Directors (or their respective nominees), as remuneration for their service as Directors of the Company in the numbers detailed below.

The exercise price of the Options is a 143% premium to the 5 day VWAP of the Company's Shares up to and including 18 October 2022 (being \$0.041).

Resolutions 4 to 7 seek Shareholder approval for the issue of the Options to the Related Parties.

Related Party Transaction

Under the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- 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 issue of the Options to the Related Parties constitutes giving a financial benefit and, as the Related Parties are Directors, they are each a related party of the Company.

It is the view of the Company that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Options because the Options are considered reasonable remuneration in the circumstances.

Options are considered to be an appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. The Options represent an incentive and remuneration to Messrs Damien Kelly, Michael Moore, Greg Hancock and Brenton Siggs to get the Share price up, not just to the level of the applicable exercise price but well above that price in order that the Options will be deep in the money so that they can realise a significant gain from the disposal of their interests in the Options, thus aligning their personal interests with those of other Shareholders.

ASX Listing Rule 10.11

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, shareholder approval to be obtained where an entity issues, or agrees to issue, equity securities to any of the following:

- 10.11.1: A related party.
- 10.11.2: A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company.
- 10.11.3: A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to sit on the board of the Company) pursuant to a relevant agreement which gives them a right or expectation to do so.
- 10.11.4: An associate of any of the above.
- 10.11.5: A person whose relationship with the Company or a person referred to above is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders.

The Related Parties meet the category under ASX Listing Rule 10.11.1 because they are Directors. Any nominee who is issued the Options will be an associate of the applicable Related Party and will fall under ASX Listing Rule 10.11.4. Therefore, the Company requires Shareholder approval in accordance with ASX Listing Rule 10.11 to grant the Options to the Related Parties (or their respective nominees).

If Resolutions 4-7 are passed, the Options will be issued to Related Parties (or their respective nominees).

If a Resolution is not passed, the Company will not be able to issue the Options the subject of that Resolution and will need to assess whether to remunerate the Director in some other fashion.

Shareholder Approval (Listing Rule 10.13)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Options:

- (a) the Options (being the nature of the financial benefit being provided) are to be issued to the Related Parties (or their nominees) as follows:

Related Party	Options
Damien Kelly	2,400,000
Michael Moore	3,000,000
Greg Hancock	1,600,000
Brenton Siggs	1,600,000
Total	8,600,000

- (b) Messrs Damien Kelly, Michael Moore, Greg Hancock and Brenton Siggs are related parties by virtue of being Directors of the Company and so fall under Listing Rule 10.11.1. If the Options are issued to a nominee of Messrs Damien Kelly, Michael Moore, Greg Hancock and Brenton Siggs, the nominee will be an Associate of the Director and fall under Listing Rule 10.11.4;
- (c) the material terms of the Options are set out in Schedule A.;
- (d) the Options will be issued to the Related Parties (or their nominees) no later than 1 month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Options will be issued on one date;
- (e) the Options will be issued for nil cash consideration, accordingly no funds will be raised;
- (f) the purpose of the issue of the Options is to provide Messrs Damien Kelly, Michael Moore, Greg Hancock and Brenton Siggs part remuneration for their services as Directors of the Company;
- (g) the current total remuneration package of the Related Parties (inclusive of superannuation and equity-based remuneration) for the current financial year, and for the previous two financial years, is as follows. This is in addition to the Options proposed to be granted under Resolutions 4-7;

Related Party	Current financial year to 30 June 2023 (estimate)	Financial year Ended 30 June 2022 ¹	Financial year Ended 30 June 2021 ²
Damien Kelly	\$66,300	\$126,683	\$191,402
Michael Moore	\$248,625	\$323,354	\$367,915
Greg Hancock	\$39,780	\$80,056	\$121,101
Brenton Siggs	\$39,780	\$80,056	\$123,951

Notes:

- (1) Includes \$60,683, \$75,854, \$40,456 and \$40,456 in share-based payments (options) for Messrs Kelly, Moore, Hancock and Siggs (respectively).
 - (2) Includes \$136,652, \$170,815, \$91,101 and \$91,101 in share-based payments (options) for Messrs Kelly, Moore, Hancock and Siggs (respectively).
- (h) the Options are to be granted in accordance with Deed executed with each relevant Director on or about 25 October 2022. Other than providing for the grant of Options subject to Shareholder approval, the other material terms of each Deed are that:
 - the Company agrees to seek Shareholder approval for the grant of the Options at the 2022 annual general meeting of Shareholders. If Shareholder approval is obtained, the Company will grant the Options within 1 month after the date of the approval; and
 - if the Company fails to comply with the above, or Shareholders do not approve the grant of the Options, the Company will pay the sum of \$0.001 per Option in full satisfaction of its obligations and liabilities under the applicable Deed.

Additional Information

The Company provides the following additional information that is considered material to Shareholders' consideration of Resolutions 4-7:

- (a) the fair value of the Options proposed to be granted, as determined internally using a Black & Scholes valuation on 19 October 2022 (using closing Share price of \$0.038 on 18 October 2022, 95% volatility and 3.41% risk free interest rate) is as follows:

Related Party	Options	Value
Damien Kelly	2,400,000	\$122,309
Michael Moore	3,000,000	\$152,886
Greg Hancock	1,600,000	\$81,539
Brenton Siggs	1,600,000	\$81,539
Total	8,600,000	\$438,273

- (b) your Directors do not necessarily consider the above 'fair values' (equivalent to 5.1 cents per Option) are in anyway representative of the market value of the Options on the specified date. They are of this belief for various reasons including the fact that there is no agreement to list the Options and in their collective experience (in relation to junior explorers), such theoretical valuation methods do not generally produce a value that aligns with ASX trades. The fair value of the Options will be influenced by the terms and conditions upon which the Options are granted, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impacts of which are not factored into the Black-Scholes model. Such models also place high reliance, and the outcomes are very sensitive to, the assumed volatility.
- (c) as at the date of this Notice of Meeting, the Related Parties have relevant interests in the following Company securities:

Related Party	Shares	Options (Exercise \$0.40, Expiry 30 Sep 2024)	Options (Exercise \$0.60, Expiry 30 Sep 2024)	Options (Exercise \$0.25, Expiry 15 Dec 2024)
Damien Kelly	1,760,100	600,000	600,000	1,200,000
Michael Moore	2,095,100	750,000	750,000	1,500,000
Greg Hancock	250,000	400,000	400,000	800,000
Brenton Siggs	910,000	400,000	400,000	800,000

- (d) if all of the Options issued under Resolutions 4-7 to the Related Parties are exercised, a total of 8,600,000 Shares would be issued. This will increase the number of Shares on issue from 117,014,204 to 125,614,204 (assuming that no other Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by 6.9% (comprising 1.9% for Damien Kelly, 2.4% for Mike Moore and 1.3% for each of Greg Hancock and Brenton Siggs);
- (e) some details of the trading history of the Shares on ASX in the 12 months before the date of this Notice are set out below:

	Price	Date
Highest	\$0.125	20 January 2022
Lowest	\$0.038	1 July 2022
Last	\$0.038	18 October 2022

- (f) The exercise price of the Options is a 143% premium to the 5-day volume-weighted average price of the Company's shares up to and including 18 October 2022 (being \$0.041);
- (g) under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider, from an economic and commercial point of view, there are any costs or detriments, including taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Messrs Kelly, Moore, Hancock and Siggs or their nominees pursuant to Resolutions 4-7 except for the cost of foregoing the opportunity to issue the Options for cash and the downstream potential to dilute the capital structure of the Company;
- (h) all Directors, except Mr Kelly, recommend Shareholders vote in favour of Resolution 4. Mr Kelly does not make a recommendation about Resolution 4 as he will receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation;

- (i) all Directors, except Mr Moore, recommend Shareholders vote in favour of Resolution 5. Mr Moore does not make a recommendation about Resolution 5 as he will receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation;
- (j) all Directors, except Mr Hancock, recommend Shareholders vote in favour of Resolution 6. Mr Hancock does not make a recommendation about Resolution 6 as he will receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation;
- (k) all Directors, except Mr Siggs, recommend Shareholders vote in favour of Resolution 7. Mr Siggs does not make a recommendation about Resolution 7 as he will receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation;
- (l) in forming their various recommendations, each Director when making a recommendation considered the qualifications and experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Options to be granted as well as the exercise price, expiry date and other material terms of those Options;
- (m) except as specified above, no Director has a personal interest or other interest in the outcome of Resolutions 4-7; and
- (n) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4-7.

RESOLUTIONS 8 AND 9 – RATIFICATION OF AGREEMENTS TO ISSUE OPTIONS (GEOFF WILLETTS & MARC BOUDAMES)

Background

The Company has entered into agreements to issue 2,400,000 Options to employee Geoff Willetts, and 800,000 Options to Company Secretary Marc Boudames (or their nominees) under the Company's placement capacity under ASX Listing Rule 7.1 ("Issue").

ASX Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company may, without shareholder approval, issue or agree to issue that number of Equity Securities that total up to 15% of the number of fully paid, ordinary securities on issue 12 months before the issue or agreement to issue plus the number of fully paid, ordinary securities issued by the company in that 12 month period with shareholder approval or under an exception to ASX Listing Rule 7.1.

The Issue does not fit within any of the exceptions to ASX Listing Rule 7.1 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's ability to issue further Equity Securities without Shareholder approval under ASX Listing Rule 7.1 for a period of 12 months from the date of the agreements (being 25 October 2022).

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue, or agreement to issue, is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that rule.

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

To this end, Resolutions 8 and 9 seek Shareholder approval for the Issue of the Options under and for the purposes of ASX Listing Rule 7.4.

If Resolutions 8 and 9 are passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of the Issue agreements.

If the Resolutions are not passed, the Options to which the Resolution relates will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of the Issue agreements.

Information required by ASX Listing Rule 7.5

ASX Listing Rule 7.5 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.4 and the following information is included in this Explanatory Statement for this purpose:

- (a) the Company has agreed to issue 2,400,000 Options to employee Geoff Willetts and 800,000 Options to Company Secretary Marc Boudames (or their nominees);
- (b) the material terms of the Options are set out in Schedule A;
- (c) the Options will be issued to Geoff Willetts and Marc Boudames (or their nominees) no later than 3 months after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Options will be issued on one date;
- (d) the Options will be issued for nil cash consideration, accordingly no funds will be raised;
- (e) the purpose of the issue of the Options is to provide Geoff Willetts and Marc Boudames part remuneration for their services as an employee of the Company, and Company Secretary, respectively; and
- (f) the Options are to be granted in accordance with agreements executed with Geoff Willetts and Marc Boudames on or about 25 October 2022. The agreements do not have any other material terms.

RESOLUTIONS 10 AND 11 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS FOR RESTRUCTURING THE CUE ROYALTY

General

On 18 August 2022, the Company announced that it issued 592,885 Shares and 100,000 unquoted Options (exercisable at \$0.10 each; expiring 12 August 2024) (**Options**) in consideration for the restructuring of the Cue Royalty under the Company's placement capacity under ASX Listing Rule 7.1 ("**Issue**").

ASX Listing Rules 7.1 and 7.4

ASX Listing Rules 7.1 and 7.4 are summarised further above.

The Issue does not fit within any of the exceptions to ASX Listing Rule 7.1 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's ability to issue further Equity Securities without Shareholder approval under ASX Listing Rule 7.1 for a period of 12 months from the date of the Issue (being 18 August 2022).

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

To this end, Resolutions 10 and 11 seek Shareholder approval for, respectively, the issue of the above Shares and Options, under and for the purposes of ASX Listing Rule 7.4.

If Resolutions 10 and 11 are passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of the Issue.

If Resolution 10 is not passed, the Shares will continue to be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of the Issue.

If Resolution 11 is not passed, the Options will continue to be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of the Issue.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

- (a) the Shares and Options were issued to Western Mining Pty. Ltd., which is not a related party, Key Management Personnel, substantial holder, advisor to the Company or their associate (as far as the Company is aware);
- (b) 592,885 Shares and 100,000 Options (exercisable at \$0.10 each; expiring 12 August 2024) were issued;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the material terms of the Options are set out in Schedule B. Shares issued upon exercise of the Options will

be fully paid and will rank pari passu in all respects with the Company's other Shares on issue;

- (e) the Shares and Options were issued on 18 August 2022;
- (f) the Shares and Options were issued for nil cash consideration. Accordingly, no funds were raised from the issue of the Shares and Options. The issue of the Shares was at a deemed issue price of \$0.0506 per Share;
- (g) the purpose of the issue was for the restructuring of the Cue royalty;
- (h) the Shares and Options were issued under an agreement with Western Mining Pty Ltd (**Western Mining**) as announced on 16 August 2022 the material terms of which were Western Mining agreed to reduce its royalty over the Company's Cue gold project in consideration for the issue of the Shares and Options the subject of this Resolution; and
- (i) refer to the Notice of Meeting for details of the voting exclusion statement for the Resolution.

Directors Recommendation

The Directors of the Company believe that Resolutions 10 and 11 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolutions.

GLOSSARY

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

\$ means Australian dollars.

10% Placement Facility has the meaning given in Section 3 of the Explanatory Statement.

10% Placement Period has the meaning given in Section 3 of the Explanatory Statement.

AGM, Annual General Meeting or Meeting means the meeting convened by the Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's report in respect of the financial year ended 30 June 2022 (copies of which have been sent to Shareholders who have made an election to receive it and copies of which are available on the Company's web site www.goldenstatemining.com.au).

ASX means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.

Auditor's Report means the auditor's report on the Financial Report.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of Directors.

Chair means Mr Damien Kelly, or (if Mr Kelly is absent) such other person appointed to chair the Meeting in accordance with the Constitution.

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 2001 (Cth)*.

Company or Golden State Mining Limited means Golden State Mining Limited ACN 621 105 995.

Constitution means the Company's constitution, as amended from time to time.

Convertible Security means a security of the Company which is convertible into Shares.

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

Director means a director of the Company.

Director's Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

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

Explanatory Statement means this information attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

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, directly or indirectly, including any director (whether executive or otherwise) 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 in the introductory paragraph of the Notice.

Notice or Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying to this Notice.

Remuneration Report means the section of the Directors' Report contained in the Annual Report entitled "remuneration report".

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

SCHEDULE A – 10c (20/12/2024) OPTION TERMS

Following are the material terms of the **Options**:

- a) Definitions:
 - (i) **Expiry Date** means 5.00pm (Perth time) on 20 December 2024;
 - (ii) **Exercise Notice** means the form of written and/or electronic notice prescribed by the Company from time to time for the purpose of exercising the **options**.
- b) Subject to clause (n), each Option carries the right to subscribe for one fully paid ordinary share in the Company (**Share**) at an exercise price of A\$0.10.
- c) Options may be exercised by delivering to the Company's registered office (or such other place in Australia agreed with or instructed by the Company at the time) an Exercise Notice at any time prior to the Expiry Date.
- d) The Exercise Notice must (unless the Company otherwise agrees) be completed and delivered in the form and manner prescribed by the Company and be accompanied by the relevant payment of cleared funds (in Australian currency) (except to the extent the cashless exercise facility under clause (o) is used).
- e) A notice may, without limitation, be given by the Company to any Optionholder in the same manner as a notice may be given by the Company to any Shareholder.
- f) Following receipt of a properly executed Exercise Notice and monies in respect of the exercise of the Options (except to the extent the cashless exercise facility under clause (o) is used), the Company will issue the resultant Shares and deliver notification of shareholdings in accordance with the limits set out in ASX listing rules (if applicable) or, if no such limits apply, within one month of receiving the Exercise Notice.
- g) The Company will, in accordance with ASX listing rules (if applicable) but in any case within 7 days of the date of issue, make application to have the Shares (issued pursuant to an exercise of options) listed for quotation by ASX.
- h) Shares issued pursuant to an exercise of Options shall rank, from the date of issue, *pari passu* with existing Shares in all respects.
- i) Options carry no right to participate in new issues of securities unless the Options are exercised before the record date for determining entitlements to the relevant new issue.
- j) Each Optionholder will be notified by the Company, in accordance with ASX listing rules (if applicable).
- k) Subject to any requirements of the Corporations Act and ASX listing rules (if applicable), the Options do not confer the right to a change in exercise price or the number of securities over which the Options are exercisable except in the event of a bonus issue of Shares being made *pro rata* to Shareholders (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue.
- l) In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of the Company, the terms of the options will be changed to the extent necessary to comply with the requirements of the ASX listing rules (in force at the time of the reorganisation, if applicable).
- m) Unless approved otherwise by the Company on a case-by-case basis (with no obligation on the Company to do so) or unless the parcel of Options being exercised represents the entire holding of the relevant Optionholder's Options in that class, Options can only be exercised in parcels of not less than 200,000.
- n) Cashless Exercise Facility:
 - i) If an Optionholder wishes to exercise some or all of their Options, it may, subject to approval by Company (acting via the board of directors), elect not to be required to provide payment of the Exercise Price for the number of Options specified in an Exercise Notice but that on exercise of those Options the Company will issue or transfer to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share) ("**Cashless Exercise Facility**").
 - ii) Notwithstanding any other provision of these Options, if the option exercise price otherwise payable in respect of the Options being exercised is the same or higher than the applicable Market Value of a Share at the time of exercise, then an Optionholder will not be entitled to use the Cashless Exercise Facility.
 - ii) "**Market Value**", in respect of a Share means:
 - A) where the Company is listed on a stock exchange, the volume weighted average market price for a Share traded on the stock exchange during the 7 day period up to and including the day on which the Market Value is to be determined; or
 - B) where the Company is not listed on a stock exchange, the fair market value of a Share as at the date the Market Value is to be determined, as determined by application of a valuation methodology approved by the Board, acting reasonably and in good faith (including the Board having regard to the Share price expressed or implied by any at-the-time recent, Share sales or issues).

SCHEDULE B – 10c (12/8/2024) OPTION TERMS

Following are the material terms of the Options:

a) Definitions:

(i) **Expiry Date** means 5.00PM (Perth time) on 12 August 2024.

(ii) **Exercise Notice** means the form of written and/or electronic notice prescribed by the Company from time to time for the purpose of exercising the options.

b) Each Option carries the right to subscribe for one fully paid ordinary share in the Company (**Share**) at an exercise price of A\$0.10.

c) Options may be exercised by delivering to the Company's registered office (or such other place in Australia agreed with or instructed by the Company at the time) an Exercise Notice at any time prior to the Expiry Date.

d) The Exercise Notice must (unless the Company otherwise agrees) be completed and delivered in the form and manner prescribed by the Company and be accompanied by the relevant payment of cleared funds (in Australian currency).

e) A notice may, without limitation, be given by the Company to any Optionholder in the same manner as a notice may be given by the Company to any Shareholder.

f) Following receipt of a properly executed Exercise Notice and monies in respect of the exercise of the Options the Company will issue the resultant Shares and deliver notification of shareholdings in accordance with the limits set out in ASX listing rules (if applicable) or, if no such limits apply, within one month of receiving the Exercise Notice.

g) The Company will, in accordance with ASX listing rules (if applicable) but in any case within 7 days of the date of issue, make application to have the Shares (issued pursuant to an exercise of options) listed for quotation by ASX.

h) Shares issued pursuant to an exercise of Options shall rank, from the date of issue, pari passu with existing Shares in all respects.

i) Options carry no right to participate in new issues of securities unless the Options are exercised before the record date for determining entitlements to the relevant new issue.

j) Each Optionholder will be notified by the Company, in accordance with ASX listing rules (if applicable).

k) Subject to any requirements of the Corporations Act and ASX listing rules (if applicable), the Options do not confer the right to a change in exercise price or the number of securities over which the Options are exercisable except in the event of a bonus issue of Shares being made pro rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue.

l) In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of the Company, the terms of the options will be changed to the extent necessary to comply with the requirements of the ASX listing rules (in force at the time of the reorganisation, if applicable).

m) Unless approved otherwise by the Company on a case-by-case basis (with no obligation on the Company to do so) or unless the parcel of Options being exercised represents the entire holding of the relevant Optionholder's Options in that class, Options can only be exercised in parcels of not less than 100,000.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **12.00pm (AWST) on Wednesday, 23 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

