
MOUNT RIDLEY MINES LTD

ACN 092 304 964

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00am (WST)

DATE: 30 November 2022

PLACE: RM Corporate
Level 1
1205 Hay Street
West Perth WA 6005

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

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

Should you wish to discuss any matter please do not hesitate to contact the Company on +61 8 6165 8858.

MOUNT RIDLEY MINES LTD

ACN 092 304 964

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Mount Ridley Mines Ltd (**Company**) will be held at RM Corporate, Level 1, 1205 Hay St, West Perth, Western Australia on 30 November 2022 at 11:00am (WST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 28 November 2022 at 11:00am (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 11.

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022.”

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

Voting Exclusion:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (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, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GUY LE PAGE

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

“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Mr Guy Le Page, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

5. RESOLUTION 4 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR PETER CHRISTIE

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

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant 40,000,000 Performance Rights to Mr Peter Christie (or his nominees) on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Peter Christie and his nominees and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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.

6. RESOLUTION 5 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR GUY LE PAGE

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

"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant 30,000,000 Performance Rights to Mr Guy Le Page (or his nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Guy Le Page and his nominees and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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.

7. RESOLUTION 6 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR SIMON MITCHELL

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

"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant 30,000,000 Performance Rights to Simon Mitchell (or his nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Simon Mitchell and his nominees and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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.

8. RESOLUTION 7 – ADOPTION OF EMPLOYEE INCENTIVE SECURITIES PLAN

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

“That, for the purposes of Listing Rule 7.2 Exception 13(b), as an exception to Listing Rule 7.1, and for all other purposes, approval is given for the establishment of the "Employee Incentive Securities Plan" and the issue of up to a maximum of 293,748,547 Equity Securities under that plan on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Employee Incentive Securities Plan and their nominees or any associates of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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.

9. RESOLUTION 8 – APPROVAL TO INCREASE THE NON-EXECUTIVE DIRECTOR FEE POOL

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

“That, for the purposes of Listing Rule 10.17, Clause 14.7 of the Constitution, and for all other purposes, the maximum annual fees able t be paid to all of the Non-Executive Directors of the Company be increased by \$100,000 from \$150,000 to \$250,000, with effect from the passing of this Resolution”

Voting Exclusion

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director and their nominees, or any associates of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) an associate or 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 the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

10. RESOLUTION 9 – AMENDMENT TO CONSTITUTION

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

“That, for the purposes of section 136(2) of the Corporations Act, the Constitution of the Company be modified by making the amendment contained in the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the passing of this Resolution.”

Dated: 26 October 2022

By order of the Board

**Johnathon Busing
Company Secretary**

MOUNT RIDLEY MINES LTD

ACN 092 304 964

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at RM Corporate, Level 1, 1205 Hay St, West Perth, Western Australia on 30 November 2022 at 11:00am (WST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

2.1 Voting in person

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

2.2 Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company on +61 8 6165 8858.

3. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.mtridleymines.com.au.

4. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

4.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

4.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

5. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GUY LE PAGE

5.1 General

Clause 14.2 of the Constitution requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting. The Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office. In the event that two or more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors. The Directors have resolved to agree that Mr Le Page retire and be eligible for re-election.

The Constitution provides that a Director who retires in accordance with Clause 14.2 is eligible for re-election.

5.2 Qualifications

Mr Le Page is currently a Director & Corporate Adviser of RM Corporate Finance specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles.

Mr Le Page was Head of Research at Morgan Stockbroking Limited (Perth) prior to joining Tolhurst Noall as a Corporate Advisor in July of 1998. As Head of Research, Mr Le Page was responsible for the supervision of all Industrial and Resources Research. As a Resources Analyst, Mr Le Page published detailed research on various mineral exploration and mining companies listed on the Australian Securities Exchange. The majority of this research involved valuations of both exploration and production assets.

Prior to entering the stockbroking industry, he spent 10 years as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology, and he has acted as a consultant to private and public companies. This professional experience included the production of both technical and valuation reports for resource companies.

Mr Le Page holds a Bachelor of Arts, a Bachelor of Science and a Masters' Degree in Business Administration from the University of Adelaide, a Bachelor of Applied Science (Hons) from the Curtin University of Technology and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

Mr Le Page was Non-Executive Director of Red Sky Energy Limited (ASX: ROG) from December 2016 to May 2019.

5.3 Independence

If elected, the Board considers that Mr Le Page will be independent.

5.4 Board recommendation

The Board, other than Mr Le Page, supports the re-election of Mr Le Page and recommends that Shareholders vote in favour of this Resolution.

6. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

6.1 General

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes. As at the date of this Notice, the Company is an 'eligible entity' as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$300,000,000 or less.

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

6.2 Technical information required by Listing Rule 14.1A

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

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

6.3 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate 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 this Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in Section 17.3(b)(i), the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company may only seek to issue the Equity Securities under the 7.1A Mandate for cash consideration. The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate towards:

- (i) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- (ii) continued exploration expenditure on the Company's current assets/or projects;
- (iii) the development of the Company's current business; and
- (iv) general working capital.

(d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 17 October 2022.

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 7.1A Mandate.

The table above uses the following assumptions:

| Number of Shares on issue (Variable A in Listing Rule 7.1A.2) | | Shares issued – 10% voting dilution | Dilution | | |
|---|-------------------|---|----------------|----------------|----------------|
| | | | Issue Price | | |
| | | | \$0.0025 | \$0.005 | \$0.0075 |
| | | | 50% decrease | Issue Price | 50% increase |
| | | Funds Raised | | | |
| Current | 5,956,572,629 | 595,657,263 | \$1,489,143.16 | \$2,978,286.31 | \$4,467,429.47 |
| 50% increase | 8,934,858,943.50 | 893,485,894 | \$2,233,714.74 | \$4,467,429.47 | \$6,701,144.21 |
| 100% increase | 11,913,145,258.00 | 1,191,314,526 | \$2,978,286.31 | \$5,956,572.63 | \$8,934,858.94 |

1. There are currently 5,956,572,629 Shares on issue.
2. The issue price set out above is the closing market price of Shares as at 25 October 2022.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
7. 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%.
8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2021 (**Previous Approval**).

No Equity Securities have been issued pursuant to the Previous Approval during the 12-month period preceding the date of the Meeting, being on and from 29 November 2021.

(g) **Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

7. RESOLUTIONS 4 TO 6 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO DIRECTORS

7.1 General

The Company has agreed, subject to Shareholder approval, to grant a total of 100,000,000 Performance Rights (collectively referred to as the '**Director Securities**') to the Directors as set out below:

| Recipient | Position | Performance Rights |
|----------------|------------------------|---|
| Peter Christie | Non-Executive Chairman | 15,000,000 Class A Performance Rights 15,000,000 Class B Performance Rights 15,000,000 Class C Performance Rights |

| | | |
|----------------|------------------------|--|
| | | 15,000,000 Class D Performance Rights |
| Guy Le Page | Non-Executive Director | 7,500,000 Class A Performance Rights 7,500,000 Class B Performance Rights 7,500,000 Class C Performance Rights 7,500,000 Class D Performance Rights |
| Simon Mitchell | Non-Executive Director | 7,500,000 Class A Performance Rights 7,500,000 Class B Performance Rights 7,500,000 Class C Performance Rights 7,500,000 Class D Performance Rights |
| Total | | 30,000,000 Class A Performance Rights 30,000,000 Class B Performance Rights 30,000,000 Class C Performance Rights 30,000,000 Class D Performance Rights |

The above equity securities are to be issued to Mr Christie, Mr Le Page and Mr Mitchell for nil cash consideration as incentive based remuneration in connection with their roles as Directors of the Company. The Board considers the incentives represented by the grant of the above equity securities are a cost effective and efficient way for the Company to appropriately incentivise and reward the performance of these individuals and assist with retaining and motivating them in their current roles, as opposed to alternative forms of incentive such as the payment of cash compensation.

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Mr Christie, Mr Le Page and Mr Mitchell are related parties of the Company by virtue of being Directors. The grant of the Director Securities to the Directors will fall within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The issue therefore requires Shareholder approval pursuant to Listing Rule 10.11.

Resolutions 4 to 6 seeks the required Shareholder approval to grant the Director Securities to the Directors under and for the purposes of 10.11. If Resolutions 4 to 6 are passed, the Company will issue the Director Securities to the Directors. If Resolutions 4 to 6 are not passed, the Company will not issue the Director Securities to the Directors and will need to determine an alternative form of incentives for them.

Resolutions 4 to 6 are ordinary resolutions.

The Directors interests in the securities of the Company as at the date of this Notice are set out in the table below:

| | Position | Shares | Options¹ |
|--|------------------------|---------------|----------------------------|
| Peter Christie | Non-Executive Chairman | 26,553,692 | 13,319,212 |
| Guy Le Page | Non-Executive Director | 69,583,334 | 2,447,917 |
| Simon Mitchell | Non-Executive Director | - | 10,000,000 |
| Notes: | | | |
| 1. Options exercisable at \$0.003 and expiring 20 November 2022. | | | |

7.2 Chapter 2E of 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:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of the Director Securities to the Directors (or their nominees) pursuant to Resolutions 4 to 6 constitutes the giving of a financial benefit and the Directors are related parties of the Company by virtue of being directors.

After a review of publicly available information relating to the remuneration structures of ASX listed companies, including those operating in the resources exploration industry, the Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of issue of the Director Securities because the issue is considered reasonable remuneration in the circumstances.

7.3 Information required by Listing Rule 10.13

The following information is provided for the purposes of Listing Rule 10.15:

- (a) The Director Securities will be issued to Peter Christie, Guy Le Page and Simon Mitchell (or their nominees).
- (b) Approval is required to grant the Director Securities to the Directors as they fall within Listing Rule 10.11.1 by virtue of being Directors.
- (c) The maximum number of securities the Company may issue:
 - (i) to Mr Christie under Resolution 4 is 60,000,000 Performance Rights (comprising 15,000,000 Class A Performance Rights, 15,000,000 Class B Performance Rights, 15,000,000 Class C Performance Rights and 15,000,000 Class D Performance Rights); and
 - (ii) to Mr Le Page under Resolution 5 is 30,000,000 Performance Rights (comprising 7,500,000 Class A Performance Rights, 7,500,000 Class B Performance Rights, 7,500,000 Class C Performance Rights and 7,500,000 Class D Performance Rights); and
 - (iii) to Mr Mitchell under Resolution 6 is 30,000,000 Performance Rights (comprising 7,500,000 Class A Performance Rights, 7,500,000 Class B Performance Rights, 7,500,000 Class C Performance Rights and 7,500,000 Class D Performance Rights).

- (d) The Performance Rights are issued on the terms and conditions in Schedule 1. Shares issued on exercise of the Performance Rights will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) Details of the Directors' current total remuneration are as follows:
 - (i) Mr Christie currently receives \$60,000 (inclusive of superannuation) per annum as remuneration for his position as Non-Executive Chairman.
 - (ii) Mr Le Page currently receives \$30,000 (exclusive of superannuation) per annum as remuneration for his position as Non-Executive Director.
 - (iii) Mr Mitchell currently receives \$33,000 (inclusive of superannuation) per annum as remuneration for his position as Non-Executive Director.
- (f) The Director Securities may be granted no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (g) The Director Securities will be issued for nil cash consideration as they are being issued to the Directors as incentive-based remuneration in connection with their roles as Non-Executive Chairman and Non-Executive Directors. Accordingly, no funds will be raised from the issue of the Director Securities.
- (h) The value of Director Securities to be issued and the valuation methodology are set out in Schedule 2.
- (i) The Director Securities to be issued to the Directors will not be issued pursuant to an agreement.
- (j) A voting exclusion statement is included in this Notice.

8. RESOLUTION 7 – ADOPTION OF EMPLOYEE INCENTIVE SECURITIES PLAN

The Company considers that it is desirable to establish an incentive securities plan pursuant to which the Company can issue Equity Securities to eligible Directors, employees and consultants in order to attract, motivate and retain such persons and to provide them with an incentive to deliver growth and value to all Shareholders.

Accordingly, Resolution 7 seeks Shareholder approval for the adoption of the Employee Incentive Securities Plan (**Plan**) in accordance with Listing Rule 7.2 Exception 13. The terms of the Plan are consistent with the new Division 1A in Part 7.12 of the Corporations Act introduced by the *Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022*, which takes effect from 1 October 2022.

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of which is set out in Schedule 3.

In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

A summary of Listing Rule 7.1 is provided in Section 6.1.

Listing Rule 7.2, Exception 13 provides an exception to Listing Rule 7.1 by which equity securities issued under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of equity securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of three years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

If Resolution 7 is not passed, the Company will not be able to adopt the Plan and, instead, any issues of Securities will be made either with Shareholder approval under Listing Rules 7.1 and 7.1A or, in default of Shareholder approval, pursuant to the Company's placement capacity under either or both Listing Rules 7.1 and 7.1A.

No Securities have been issued under the current Plan as it is a new employee incentive plan and has not previously been approved by Shareholders.

The maximum number of Securities that the Company proposes to issue under the Plan following Shareholder approval of the adoption of the Plan is 293,748,547.

Prior Shareholder approval will be required under Listing Rule 10.14 before any Director or associate of a Director can participate in the Plan.

Pursuant to the Listing Rules, Shareholders must re-approve the Plan and all unissued Securities issuable pursuant thereto every three years.

A voting exclusion statement is included in the Notice.

Resolution 7 is an ordinary resolution.

9. RESOLUTION 8 – APPROVAL TO INCREASE THE NON-EXECUTIVE DIRECTOR FEE POOL

9.1 General

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 14.7 of the Constitution also states that the total aggregate fixed sum per annum to be paid to Directors (excluding salaries of Executive Directors) may only be varied by ordinary resolution of Shareholders in a general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$150,000 in accordance with clause 14.8 of the Constitution. Resolution 8 seeks Shareholder approval to increase this figure by \$100,000 to \$250,000.

The maximum aggregate amount of fees proposed to be paid to the Non-Executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

9.2 Technical information required by Listing Rule 10.17

The proposed limit is requested to ensure that the Company:

- maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;

- remunerates its Non-Executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

If Resolution 8 is approved, the Company will have the ability to increase the remuneration of Non-Executive Directors up to the increased limit of \$250,000.

If Resolution 8 is not approved, the Company's remuneration limit of Non-Executive Directors will remain at \$150,000.

In the past 3 years, the Company has issued an aggregate of 141,022,995 Shares and 35,000,000 Options to Non-Executive Directors (or their nominees) with prior Shareholder approval under Listing Rules 10.11 and 10.14.

These Equity Securities were issued to the following Non-Executive Directors:

- 136,022,995 Shares and 10,000,000 Options were issued to Guy Le Page (or his nominees);
- 10,000,000 Options were issued to Peter Christie (or his nominees);
- 10,000,000 Options were issued to Simon Mitchell (or his nominees); and
- 5,000,000 Shares and 5,000,000 Options were issued to Graeme Johnston (former director) (or his nominees).

Given the interest of the Non-Executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this resolution.

10. RESOLUTION 9 – AMENDMENT TO CONSTITUTION

10.1 General

The Company is currently governed by its Constitution.

Under section 136(2) of the Corporations Act, a company can modify its constitution, or a provision of its constitution, by special resolution. Accordingly, the Company seeks Shareholder approval to amend its Constitution by a special resolution of Shareholders as set out below.

The recent passing of the *Corporations Amendment (Meetings and Documents) Bill 2021* provides for companies to use technology to hold meetings, including hybrid meetings, on a permanent basis and wholly virtual meetings if this is expressly permitted or required by the constitution.

The Constitution does not expressly permit wholly virtual meetings. Resolution 9 proposes to amend clause 12.3 of the Constitution and insert a new clause 12.10 into the Constitution, to provide that, subject to the Corporations Act, the Company may hold a wholly virtual general meeting.

This amendment will clarify that a general meeting may be held by the Company in one of three ways:

1. at a physical venue ('**physical meeting**');
2. at one or more physical venues using technology ('**hybrid meeting**' which is a physical meeting linked with online facilities to allow remote participation); or

3. using virtual meeting technology only ('**virtual meeting**', where all members participate via online facilities).

The Company intends to meet in person at its general meetings, however the proposed amendment ensures that the Company has the flexibility to conduct virtual meetings if needed. This resolution is a special resolution and therefore requires support from 75% of the votes cast. The proposed amendments are set out below.

10.2 Amendment to Clause 12.3 of the Constitution

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

Any Director may, whenever he or she thinks fit, convene a general meeting of Shareholders, and a general meeting shall also be convened on requisition as is provided for by the Corporations Act, or in default, may be convened by such requisitions as empowered to do so by the Corporations Act. If there are no Directors for the time being, a Secretary may convene a general meeting of Shareholders for the purpose of enabling the election of Directors but for no other purpose. A general meeting may be held at two or more venues ~~simultaneously using any technology that gives the Shareholders as a whole a reasonable opportunity to participate or~~ wholly virtually in accordance with clause 12.10."

10.3 Insertion of new Clause 12.10 into the Constitution

"12.10 Meeting at more than one place

- (a) *A general meeting of Shareholders may be held in two or more places linked together by any technology that:
 - (i) *gives the Shareholders as a whole in those places a reasonable opportunity to participate in proceedings;*
 - (ii) *enables the chairman to be aware of proceedings in each place; and*
 - (iii) *enables the Shareholders in each place to vote on a show of hands and on a poll.**
- (b) *If a general meeting of Shareholders is held in two or more places under Article 12.10:
 - (i) *a Shareholders present at one of the places is taken to be present at the general meeting; and*
 - (ii) *the chairman of that general meeting may determine at which place the meeting is taken to have been held.**
- (c) *A general meeting may be held using virtual technology only, provided the technology gives Shareholders as a whole a reasonable opportunity to participate, and is permitted by law."*

A copy of the amended Constitution will be tabled at the Meeting and sent to Shareholders on request and will also be available for inspection at the registered office of the Company during normal business hours prior to the Meeting.

11. DEFINITIONS

\$ means Australian dollars.

7.1A Mandate has the meaning given to that term in Section 6.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) 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;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Mount Ridley Mines Ltd ACN 092 304 964.

Constitution means the Company's constitution.

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

Director Securities has the meaning given to that term in Section 7.1.

Directors means the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Option means an option to acquire a Share.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Plan has the meaning given to that term in Section 8.

Previous Approval has the meaning given to that term in Section 7.3(f).

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2022.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Spill Meeting has the meaning given in Section 4.2.

Spill Resolution has the meaning given in Section 4.2.

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

WST means Western Standard Time as observed in Perth, Western Australia.
In this Notice, words importing the singular include the plural and vice versa.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1. Definitions

In these terms and conditions, unless the context otherwise requires:

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it.

Board means the board of directors of the Company.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

Change of Control Event has the meaning given in condition 13(b).

Company means Mt Ridley Mines Ltd ACN 092 304 964.

Corporations Act means the Corporations Act 2001 (Cth).

Expiry Date means 5pm (WST) on the date which is 5 years from the date of issue of a Performance Right.

Holder means a holder of a Performance Right.

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time.

Performance Right means the right to acquire a Share on these terms and conditions.

REE means Rare Earth Elements comprising the 15 elements of the lanthanide series.

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

Vesting Condition has the meaning given in condition 3.

VWAP means volume weighted average price.

2. Performance Rights

Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

3. Vesting Conditions

Each Performance Right will vest as follows.

| Class | Vesting Condition |
|----------------------------|--|
| Class A Performance Right | The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 500Mt of REE at a minimum grade of 500 ppm at any of the Company's projects, verified by an independent competent person. |
| Class B Performance Right | The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 750Mt of REE at a minimum grade of 500 ppm at any of the Company's projects, verified by an independent competent person. |
| Class C Performance Right | The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 1,000Mt of REE at a minimum grade of 500 ppm at any of the Company's projects, verified by an independent competent person. |
| Class D Performance Rights | The Company receiving a defined JORC 2012 compliant resource in the Inferred category (or higher) of not less than 2,000Mt of REE at a minimum grade of 500 ppm at any of the Company's projects, verified by an independent competent person. |

4. Exercise

Upon the applicable Vesting Condition being satisfied, and subject to the Holder continuing to provide services to the Company at the date of exercise (unless the Board determines otherwise), the Holder may exercise a Performance Right by delivering a written notice of exercise (**Notice of Exercise**) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

5. Expiry

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date.

6. Transfer

A Performance Right is not transferable.

7. Entitlements and bonus issues

The holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

8. Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the Holder's rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the Holder's economic and other rights are not diminished or terminated.

9. Right to receive Notices and attend general meetings

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

10. Voting rights

A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

11. Dividend rights

A Performance Right does not entitle the Holder to any dividends.

12. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

13. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

14. Change in control

(a) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.

(b) A Change of Control Event occurs when:

- (i) takeover bid: the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of shares and that takeover bid has become unconditional; or
 - (ii) scheme of arrangement: the announcement by the Company that the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
- (c) The Company must ensure the allocation of shares issued under sub-paragraph (a) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

15. Timing of issue of Shares on exercise

Within 10 Business Days of receiving an Exercise Notice, the Company will:

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

16. Compliance with law

The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

17. Application to ASX

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

18. Ranking of Shares

Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

19. Ceasing to be engaged by the Company

If a Performance Right Holder's services agreement with the Company is terminated, the Holder will continue to have legal ownership of all Performance Rights that remain unvested from the date of termination until the date which is 1 month from the date of termination. On the date, which is 1 month from termination, any Performance Rights that remain unvested will be forfeited by the Holder and cancelled by the Company. For the avoidance of doubt, if any Performance Rights vest during the 1 month period, those performance Rights may be exercised by the Holder and converted into shares in accordance with these terms and conditions.

20. No other rights

A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

SCHEDULE 2 – VALUATION OF INCENTIVE SECURITIES

The indicative value of the incentive securities set out below is the maximum value assuming that all Performance Milestones will be achieved before the expiry date of such incentive securities. The Black & Scholes option pricing model and the assumptions set out below have been used to determine the indicative values of the incentive securities.

Performance Rights:

| Assumptions: | |
|-------------------------|--------------------|
| Valuation date | 17 October 2022 |
| Market price of Shares | \$0.005 |
| Exercise price | Nil |
| Expiry date | 5 years from issue |
| Risk free interest rate | 3.14% |
| Expected volatility | 100% |

Indicative values of the Director Securities

| | Indicative value per incentive security | Indicative value of Director Securities to be issued to Peter Christie | Indicative value of Director Securities to be issued to Guy Le Page | Indicative value of Director Securities to be issued to Simon Mitchell |
|----------------------------|---|--|---|--|
| Class A Performance Rights | \$0.005 | \$75,000 | \$37,500 | \$37,500 |
| Class B Performance Rights | \$0.005 | \$75,000 | \$37,500 | \$37,500 |
| Class C Performance Rights | \$0.005 | \$75,000 | \$37,500 | \$37,500 |
| Class D Performance Rights | \$0.005 | \$75,000 | \$37,500 | \$37,500 |
| Total Value | | \$300,000 | \$150,000 | \$150,000 |

Note: The indicative valuations noted above are not necessarily the market prices that the Performance Rights could be traded at and they are not automatically the market prices for taxation purposes.

SCHEDULE 3 – SUMMARY OF EMPLOYEE INCENTIVE SECURITIES PLAN

Summary of the Plan and terms on which offers may be made:

1. Eligible Participant

"Eligible Participant" means an employee or officer of, or a person who provides services to, the Company or an associated body corporate of the Company, or such other person who has been determined by the Board to be eligible to participate in the Plan from time to time.

The Company will seek Shareholder approval for Director and their associates participation in accordance with Listing Rule 10.14.

2. Purpose

The purpose of the Plan is to:

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

3. Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

4. Eligibility, invitation and application

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may subject to compliance with applicable law and by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

5. Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

6. Terms of Convertible Securities

Each "Convertible Security" represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

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

7. Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice or otherwise by the method specified in the invitation.

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

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

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

9. Delivery of Shares on exercise of Convertible Securities

In accordance with the method and timing specified in the invitation or otherwise as soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

10. Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Group or any entity within the Group

into disrepute, or wilfully breached his or her duties to the Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation or vesting notice.

11. Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event provided that, in respect of Convertible Securities, the maximum number of Convertible Securities (that have not yet been exercised) that the Board may determine will vest and be exercisable into Shares under this Rule is that number of Convertible Securities that is equal to 10% of the Shares on issue immediately following vesting under this Rule, which as far as practicable will be allocated between holders on a pro-rata basis on the basis of their holdings of Convertible Securities on the date of determination of vesting.

12. Rights attaching to Plan Shares

All Shares issued or transferred under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank equally in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

13. Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

14. Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

15. Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. Compliance with applicable law

No Security may be offered, grated, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Plan Shares that may be issued upon exercise of Convertible Securities offer when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:

- (a) an employee incentive scheme of the Company covered by Division 1A of Part 7.12 of the Corporations Act; or
- (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,
- (c) but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:
 - (i) an offer for no monetary consideration;
 - (ii) an offer to a person situated at the time of receipt of the offer outside Australia;
 - (iii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or
 - (iv) an offer made under a disclosure document,

would not exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation.

17. Maximum number of Securities

The Company will not make an invitation under the Plan if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan, will exceed 15% of the total number of issued Shares at the date of the invitation.

18. Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

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

19. Plan duration

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

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

20. Income Tax Assessment Act

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).



LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

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

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

ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Mount Ridley Mines Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting

OR



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

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at RM Corporate, Level 1, 1205 Hay Street, West Perth WA 6005 on 30 November 2022 at 11:00am (WST) and at any adjournment or postponement of that Meeting.

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

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

VOTING DIRECTIONS

Resolutions

| | For | Against | Abstain* |
|---|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Director – Mr Guy Le Page | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Approval of 7.1A Mandate | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Approval to grant Performance Rights to Mr Peter Christie | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Approval to grant Performance Rights to Mr Guy Le Page | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Approval to grant Performance Rights to Mr Simon Mitchell | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 Adoption of Employee Incentive Securities Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 Approval to increase the Non-Executive Director Fee Pool | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 Amendment to Constitution | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address



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

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

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

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

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

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

CORPORATE REPRESENTATIVES

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

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

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

Joint Holding:

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

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11:00am (WST) on 28 November 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

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



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033