



PANTORO LIMITED

ACN 003 207 467

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00 am (WST)

DATE: 28 November 2022

PLACE: The Country Women's Association
1176 Hay Street
West Perth WA 6005

COVID-19

Should there be restrictions on indoor gatherings in Western Australia at the time of the Annual General Meeting as a result of the COVID-19 Pandemic, the Company encourages shareholders not to attend the annual general meeting in person and to vote by proxy as per the instructions on the Proxy Form.

Please note that the Company will strictly comply with any applicable limitations on indoor gatherings in force at the time of the Annual General Meeting. If any restrictions are in force at the time of the Annual General Meeting voting by you at the Annual General Meeting will not be possible if entry is denied to you unless a proxy is appointed by you and is in attendance at the meeting.

If submitting a proxy form, it is strongly recommended that the chair is appointed as your proxy to ensure the proxy will be in attendance at the Annual General Meeting. It is also recommended that you direct your proxy how to vote on the Proxy Form.

Important notes

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 professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6263 1110

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Important Information

Time and place of meeting

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00 am (WST) on 28 November 2022 at:

The Country Women's Association
1176 Hay Street Perth WA 6005

Your vote is important

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

Voting eligibility

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 Shareholders at 5.00pm (WST) on 26 November 2022.

Voting in person (or by attorney)

To vote in person, attend the Meeting at the time, date and place set out above. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the Meeting. Should there be restrictions on indoor gatherings in Western Australia at the time of the Annual General Meeting as a result of the COVID-19 Pandemic, the Company encourages shareholders **NOT TO ATTEND THE ANNUAL GENERAL MEETING IN PERSON** and to vote by proxy in accordance with the instructions on the Proxy Form.

Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

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, members are advised that:

- A. each member has a right to appoint a proxy;

- B. the proxy need not be a member of the Company; and
- C. a member 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.

To be effective, proxies must be received by 11.00am (WST) on 26 November 2022. Proxies lodged after this time will be invalid.

BUSINESS OF THE MEETING

Business

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Capitalised terms not otherwise defined in this Notice have the meaning given in the Explanatory Statement which accompanies this Notice. References to the “Corporations Act” are to the *Corporations Act 2001* (Cth) unless the context requires otherwise.

1. Financial Report

To receive and consider the annual financial report, directors’ report and auditor’s report for the Company and its controlled entities for the year ended 30 June 2022.

Note: There is no requirement for shareholders to approve these documents.

2. Resolution 1 - Remuneration Report

To consider and, if thought fit, to pass, 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 Prohibition Statement: 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:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) 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 Wayne Zekulich

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

“That, for the purposes of clause 14.2 of the Constitution and for all other purposes, Mr Wayne Zekulich, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. Resolution 3 – Approval of 10% Placement Facility – Listing Rule 7.1A

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

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

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of that person or those persons. However, this does not apply to a vote cast in favour of the 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.

5. Resolution 4 - Approval of Incentive Awards Plan

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

*“That, for the purpose of Listing Rule 7.2 (Exception 13(b)), sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the Company’s employee incentive scheme titled “Pantoro Limited Incentives Awards Plan” (**Plan**) for a period of three years from the date of this Meeting and for the issue of Equity Securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive plan and any associate of that person or those persons. 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 though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. Resolution 5 – Ratification of prior issue – Placement Shares

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 7.4 and for all other purposes, Shareholders ratify the issue of 155,172,414 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any associate of that person or those persons. 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.

7. Resolution 6 – Modification of Constitution

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

That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, Shareholders approve the modification of the Company's Constitution in the manner set out in the Explanatory Memorandum, with effect from the passing of this resolution."

8. Resolution 7 – October Placement – Shares

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 7.1 and for all other purposes, approval is given for the Company to issue up to 138,560,720 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of those persons. 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.

9. Resolution 8 – Ratification of prior issue – October Placement Shares

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 7.4 and for all other purposes, Shareholders ratify the issue of 57,991,004 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

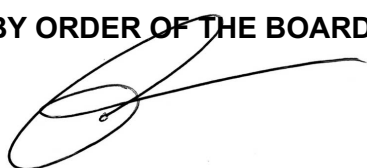
- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution,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

Other Business

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

DATED: 20 October 2022

BY ORDER OF THE BOARD



**DAVID OKEBY
COMPANY SECRETARY**

Explanatory Statement

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. Company Financial Report, Directors' Report and Auditor's Report

The financial report, directors' report and auditor's report for the Company will be laid before the Meeting. There is no requirement for Shareholders to approve these reports. The Chairman will allow a reasonable time for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, and the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

2. Resolution 1 - Adoption of the Remuneration Report

The remuneration report for the Company is set out in the Company's 2022 Annual Report. The remuneration report outlines the Company's remuneration framework and the remuneration outcomes for the financial year the subject of the remuneration report for the Board and Key Management Personnel.

The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the remuneration report at the meeting.

Under the Corporations Act if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, then a further resolution ("Spill Resolution") may be required to be considered at the second annual general meeting as to whether a further meeting be convened to put some or all of the Directors to re-election.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the requirement for a Spill Resolution will not arise at this Meeting irrespective of the outcome of the vote on Resolution 1.

If you are appointing the Chair as your proxy, please note that the proxy form accompanying this Notice expressly authorises the Chair to vote any undirected proxies in favour of Resolution 1 even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Accordingly, if you are appointing the Chair as your proxy and do not wish your proxy to vote in favour of Resolution 1 you will need to mark "against" or "abstain" where indicated in the proxy form in relation to Resolution 1.

3. Resolution 2 – Re-Election of Director – Mr Wayne Zekulich

Clause 14.2 of the Constitution requires 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 such number as is appropriate to ensure that no Director (other than alternate Directors and the Managing Director) holds office for more than 3 years, shall retire from office.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election. The Company currently has 5 Directors with only 1 Director (excluding the Managing Director) who has held office for more than 2 years. Accordingly, 1 Director must retire.

Mr Zekulich retires from office in accordance with this requirement and submits himself for election.

Mr Zekulich holds a Bachelor of Business Degree and is a Fellow of the Institute of Chartered Accountants. Mr Zekulich has a broad range of experience covering advice on mergers and acquisitions, arranging and underwriting project financings, privatisations, and debt and equity capital markets. Mr Zekulich previously was the Chief Financial Officer of Gindalbie Metals Ltd and prior to that the Chief Development Officer of Oakajee Port and Rail. In the not-for-profit sector, Mr Zekulich is a member of the John Curtin Gallery Board, the Curtin Business School of Accounting Advisory Board, and is a member of the University of Western Australia Audit Committee.

Mr Zekulich is currently a consultant to Deutsche Bank and is a Non Executive Director and Chairperson of ASX listed Openn Negotiation Limited (ASX:OPN).

The Board appointed Mr Zekulich on 2 October 2019 and accordingly he has been a Director of the Company for approximately 3 years.

The Board considers Mr Zekulich an independent Director.

The Directors (other than Mr Zekulich who has a material personal interest in the outcome of Resolution 2) recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3 - Additional 10% Placement Facility – Listing Rule 7.1A

4.1 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.

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting by way of special resolution to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**) to increase this 15% limit by an extra 10% to 25%.

The Company is an Eligible Entity, meaning it is an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rule 7.1 and 7.1A without any further Shareholder approval. There are no proposed issues by the Company under this proposed Resolution if the Resolution is passed.

If Resolution 3 is not passed then the Company will not have the availability of the additional 10% Placement Capacity to issue Equity Securities without Shareholder approval provided under ASX 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. Accordingly, if the Company intends to issue securities over and above its placement capacity under ASX Listing Rule 7.1 then Shareholder approval will be required to issue such securities.

4.2 **ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

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 less than \$300,000,000. If however on the date of the Meeting the Company's market capitalisation exceeds \$300,000,000, then Resolution 3 will no longer be effective and will be withdrawn.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: (PNR)).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A is the number of Shares on issue 12 months immediately preceding the date of issue or agreement to issue:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

- (ii) plus the number of fully paid ordinary securities issued in the previous 12 months on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (A) the convertible securities were issued or agreed to be issued more than 12 months immediately preceding the date of issue or agreement to issue; or
 - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
 - (iii) plus the number of fully paid ordinary securities issued in the last 12 months under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (A) the agreement was entered into more than 12 months before; or
 - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
 - (iv) plus the number of any other fully paid ordinary securities issues in the previous 12 months with approval under Listing Rule 7.1 or 7.4;
 - (v) plus the number of partly paid shares that became fully paid in the previous 12 months immediately preceding the date of issue or agreement to issue; and
 - (vi) less the number of Shares cancelled in the previous 12 months immediately preceding the date of issue or agreement to issue.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months immediately preceding the date of issue or agreement to issue where the issue or agreement has not been subsequently approved by the holders of Ordinary Securities under ASX Listing Rule 7.4.

4.3 **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum cash consideration per security at which existing quoted Equity Securities may be issued under the 10% Placement Capacity is 75% of the volume weighted average market price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring 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;
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, 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 ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Potential Dilution and Funds Raised			
	Issue Price (per Share)	\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.34 100% increase in Issue Price
1,576,261,872 (Current Variable 'A')	Shares issued - 10% voting dilution	157,626,187 Shares	157,626,187 Shares	157,626,187 Shares
	Funds raised	\$13,398,226	\$26,796,452	\$53,592,904

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Potential Dilution and Funds Raised			
	Issue Price (per Share)	\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.34 100% increase in Issue Price
2,364,392,808 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	236,439,281 Shares	236,439,281 Shares	236,439,281 Shares
	Funds raised	\$20,097,339	\$40,194,678	\$80,389,355
3,152,523,744 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	315,252,374 Shares	315,252,374 Shares	315,252,374 Shares
	Funds raised	\$26,796,452	\$53,592,904	\$107,185,807

*The number of Shares on issue (Variable 'A' in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- (i) Based on the total number of 1,576,261,872 fully paid ordinary Shares on issue on the ASX as at 19 October 2022.
- (ii) The issue price set out above is the closing price of the Shares on the ASX on 19 October 2022.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options or Performance Rights are exercised into Shares before the date of issue of the Equity Securities under the 10% Placement Capacity.
- (v) 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 individual shareholding depending on their specific circumstances.
- (vi) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (vii) 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%.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares (being the Equity Securities in the class the subject of the Listing Rule 7.1A mandate) may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Company's Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration in which case the Company intends to use funds raised for continued exploration, development and operation of the Company's Halls Creek Project and/ or Norseman Gold Project, general working capital or in connection with the acquisition costs of any investments in exploration or mining mineral assets (direct or indirectly through acquiring shares) the Company may acquire in the future (or the development or operation of such assets).

The Company will comply with the disclosure obligations under Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). The Company considers that it may raise funds under the 10% Placement Capacity although this cannot be guaranteed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board reserves the right to determine at the time of any issue of Equity Securities under Listing Rule 7.1A, and the allocation policy that the Company will adopt for that issue.

Recipients of the Equity Securities to be issued under the 10% Placement Capacity 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 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods and structures for raising funds available to the Company at that time, including, but not limited to, an entitlement issue 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).

Further, if the Company is successful in acquiring new interests or investments in exploration or mining mineral assets, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new interests or investments.

(f) Previous Approval under ASX Listing Rule 7.1A

The Company did not obtain approval under ASX Listing Rule 7.1A at the previous Annual General Meeting and accordingly did not issue any securities under ASX Listing Rule 7.1A in the previous 12 months.

(g) Compliance with ASX Listing Rules 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 7.1A.4 for release to the market.

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

4.5 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3. The Chair intends to exercise all undirected proxies in favour of Resolution 3.

5. Resolution 4 – Approval of Incentive Awards Plan

5.1 Background

The Company considers it is desirable to establish an employee incentive scheme called the “Pantoro Limited Incentive Awards Plan” (**Plan**) under which the Company can issue Equity Securities in the form of Shares, Options and Performance Rights (together, **Awards**).

The objective of the Plan is to attract, motivate and retain key officers, employees and consultants of the Company by providing them with the opportunity to acquire Equity Securities that allow them to participate in the future growth of the Company.

The Plan was adopted by the Board on 7 October 2022.

5.2 **ASX Listing Rule 7.2 (Exception 13(b))**

Resolution 4 seeks Shareholder approval for the issue of Equity Securities under the Plan, as an exception to ASX Listing Rule 7.1, in accordance with ASX Listing Rule 7.2 (Exception 13(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 13(b)) provides that issue of Equity Securities under an employee incentive scheme within period of 3 years from the date on which shareholders approve the issue of Equity Securities under the scheme is an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability under Listing Rule 7.1 to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

If Resolution 4 is not passed, the Company's 15% placement capacity under Listing Rule 7.1 will be reduced each time it issues Equity Securities under the Plan to eligible participants unless issued under another exception under Listing Rule 7.2 (for example with Shareholder approval under Listing Rules 10.11 or 10.14 where issued to a related party).

In accordance with the requirements ASX Listing Rule 7.2 (Exception 13(b)), the following information is provided in relation to the proposed approval of the Plan and the issue of Equity Securities under it:

- (a) a summary of the terms of the Plan is provided in Schedule 1;
- (b) no Equity Securities have previously been issued under the; and
- (c) the maximum number of Equity Securities proposed to be issued under the Plan over the three years following Shareholder approval is 78,813,094. This maximum is 5% of the Shares currently on issue.

Any future grant issue of Awards under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

5.3 **Corporations Act - Sections 200B and 200E**

The Corporations Act restricts the benefits that can be given to persons who, on leaving their officer or employment with the Company or any of its related bodies corporate hold a "managerial or executive office" (as defined in the Corporations Act) (**Executive**) or held such an office in the previous three years.

Under Section 200B of the Corporations Act, a company may only give such a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders under Section 200E of the Corporations Act or an exemption applies. Sections 200F and 200G of the Corporations Act provide exemptions for certain benefits provided they fall below certain limits (**Benefit Caps**).

The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the Plan. In particular, the Board possesses the discretion to determine, where an Executive ceases to be an officer or employee, that any vesting conditions applying to Awards held by the Executive or their nominee are waived, in whole or in part.

This may provide the Executive with a benefit, being the ability for Awards held by them or their nominee to vest and be exercised into Shares when the Awards might otherwise lapse on office or employment ceasing.

The Company is therefore seeking Shareholder approval in advance for any benefits given under the Plan to Executives that are in connection with the Executive ceasing office or employment.

Provided Shareholder approval is given, the value of these benefits may be disregarded when determining if the Benefit Caps under Sections 200F and 200G of the Corporations Act.

The value of the termination benefits that the Board may give to Executives under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company’s Share price at the time of vesting and the number of Awards that vest.

The following additional factors may also affect the benefit’s value:

- (a) the Executive’s length of service and the portion of vesting periods at the time they cease office or employment;
- (b) the status of the performance hurdles attaching to the securities at the time the Executive’s employment or office ceases; and
- (c) the number of unvested Awards that the Executive or their nominee holds at the time the Executive ceases employment or office.

5.4 Additional Information

Resolution 4 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 4 due to their potential personal interests in the outcome of the Resolution.

6. Resolution 5 – Ratification of prior issue – Placement Shares

6.1 Background

As announced by the Company to ASX on 14 March 2022, the Company conducted a placement of Shares to professional and sophisticated investors at an issue price of \$0.29 per Share (**Placement**). A total of 155,172,414 Shares were issued under the placement (**Placement Shares**).

Argonaut Securities Pty Limited and Euroz Hartleys Limited acted as joint lead managers to the Placement and Petra Capital acted as co-lead manager.

On 22 March 2022, the Placement Shares were issued under the Company’s placement capacity afforded under ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

6.2 ASX Listing Rules 7.1 and 7.4

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

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Placement Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, the Placement Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

6.4 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Placement Shares:

- (a) the Shares were issued to clients of, and investors arranged by, Argonaut Capital Euroz Hartleys and Petra Capital;
- (b) as a result of the issue, Franklin Resources, Inc., and its affiliates became a substantial shareholder of the Company;
- (c) aside from as set out in (b) above, none of the other subscribers were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisors of the Company or any associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (d) a total of 155,172,414 Shares were issued;
- (e) 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;

- (f) the Shares were issued on 22 March 2022;
- (g) the issue price was \$0.29 per Share;
- (h) the purpose of the issue was to raise funds for continued growth and exploration at the Norseman Gold Project, supporting the early commencement of mining at the Norseman Gold Project to under-write ore supply to the new processing facility, accelerating PGE project at the Halls Creek Project and for general working capital; and
- (i) the Shares were issued to short form subscription applications pursuant to which subscribers under the Placement were issued Placement Shares at an issue price of \$0.29 per Share.

7. Resolution 6 – Modification of Constitution

7.1 General

Recent amendments to the Corporations Act provide that a company may only hold a meeting of its members using only virtual technology (that is, there is no physical venue for the meeting) (**Virtual Meeting**) if required or permitted by the company's constitution.

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

Resolution 6 is a special resolution which seeks Shareholder approval to modify the existing Constitution to permit the Company to hold Virtual Meetings of its members.

Resolution 6 will be passed if at least 75% of the votes cast by Shareholders entitled to vote are in favour of Resolution 6.

If Resolution 6 is passed by the requisite majority, the Constitution will be modified to insert rule 12.10 below as a new provision of the existing Constitution.

The Directors believe it desirable for the Company to have the flexibility to hold Virtual Meetings of members including due to the potential for future pandemics that prevent physical meetings taking place.

The Directors note that, under section 249S of the Corporations Act:

- (a) the Company must give Shareholders a reasonable opportunity to participate in any Shareholder meeting, including Virtual Meetings;
- (b) all Shareholder meetings must be held at a time that is reasonable; and
- (c) virtual meeting technology must be reasonable and allow Shareholders entitled to attend, and who do attend, to exercise orally and in writing any rights they may have to ask questions and make comments.

A copy of the modified Constitution is available for review by Shareholders at the Company's website at www.pantoro.com.au and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary on +61 (08) 6263 1110 or via email at david.okeby@pantoro.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

7.2 Proposed modifications

It is proposed that new clause 12.10 is inserted into the Constitution as follows:

“12.10 Use of technology at general meetings

Notwithstanding anything else contained in this Constitution:

(a) *subject to the Corporations Act and the Listing Rules:*

- (i) the Company may hold a general meeting using any virtual meeting technology approved by the directors that gives the members (as a whole) a reasonable opportunity to participate and enables them to vote on a show of hands, on a poll or otherwise, as the case may require; and
- (ii) a meeting conducted using such virtual meeting technology may be:
 - (A) held concurrently at one or more physical venues and using virtual meeting technology; or
 - (B) not held at any specified physical venue and held as a wholly virtual meeting,

and participation in such a meeting will constitute presence as if in person at such a meeting;

- (b) *if the directors elect to use virtual meeting technology for a general meeting of the Company, the directors will determine the type of virtual meeting technology to be used, and the notice of meeting must set out the details of the virtual meeting technology for the general meeting;*
- (c) *if before or during a general meeting any technical difficulty occurs such that the members do not have a reasonable opportunity to participate, the chair may:*
 - (i) adjourn the meeting for a reasonable period until the technical difficulty is remedied; or
 - (ii) where a quorum remains present (either at the place at which the chair is present or by virtual meeting technology as contemplated by this rule) and able to participate, continue the meeting (subject to the Corporations Act);
- (d) *in no circumstances shall the inability of one or more members to access, or to continue to access, virtual meeting technology affect the validity of a meeting or any business conducted at a meeting, provided that sufficient members are able to participate in the meeting as are required to constitute a quorum;*
- (e) *the Board may determine that, at any, or in relation to any, general meeting or class meeting, a member who is entitled to attend and vote on a resolution at that meeting is entitled to vote by direct vote in respect of that resolution before or during the meeting. A ‘direct vote’ includes a vote delivered to the Company by post, fax or other electronic means approved by the Board. The Board may specify regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting for the vote to be valid; and*

- (f) *nothing in this rule is to be taken to limit the powers conferred on the chair under the Corporations Act and this Constitution.”*

7.3 Additional information

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

8. Resolution 7 – October Placement – Shares

8.1 General

On 20 October 2022, the Company announced a placement of 196,551,724 Shares to professional and sophisticated investors at an issue price of \$0.145 per Share (**October Placement**).

57,991,004 of the October Placement Shares are to be issued prior to the Meeting under the Company's placement capacity under ASX Listing Rule 7.1 (**Tranche 1 Shares**). Resolution 8 seeks Shareholder approval to ratify the issue of the Tranche 1 Shares.

The balance of the October Placement Shares, being 138,560,720 Shares (**Tranche 2** or the **Tranche 2 Shares**), are subject to Shareholder approval under this Resolution 7.

Argonaut Securities Pty Limited and Euroz Hartleys Limited acted as joint lead managers, brokers and bookrunners for the October Placement and amicaa Advisors Pty Ltd and CLSA Australia Pty Ltd acted as joint lead managers and brokers as well. The Company will pay these entities a total of 5% of the amount raised under the October Placement.

8.2 Listing Rule 7.1

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

The proposed issue of the Tranche 2 Shares does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. The Company therefore requires approval of its Shareholders under Listing Rule 7.1 to issue the Tranche 2 Shares.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to proceed with the proposed issue of the Tranche 2 Shares which will enable the Company to raise up to \$20.1 million. In addition, the Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1. The issue of the Tranche 2 Shares will dilute existing Shareholders (assuming they are not participating) by approximately 8.79%.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Shares and the Company will not be able to access the funds that were to be raised under the Share issue. This will impact on the Company's planned activities which will need to be scaled back unless alternative funding can be arranged.

To this end, Resolution 7 seeks Shareholder approval for the proposed issue of the Tranche 2 Shares for the purpose of Listing Rule 7.1.

8.4 **Technical information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Shares:

- (a) the Shares will be issued to clients of Argonaut Securities Pty Limited, amicaa Advisors Pty Ltd, Euroz Hartleys Limited and CLSA Australia Pty Ltd (**Joint Lead Managers**).
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that
 - (i) one substantial shareholder of the Company, being Franklin Resources, Inc., and its affiliates will be issued Tranche 2 Shares; and
 - (ii) aside from as set out in (i) above, none of the other issuees are:
 - (A) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisors of the Company or any associate of any of these parties; and
 - (B) issued more than 1% of the issued capital of the Company;
- (c) the number of Shares that will be issued is up to 138,560,720 Shares and the Shares issued will be 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 Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the issue price will be \$0.145 per Share;
- (f) the purpose of the issue is to raise up to approximately \$20.1 million. The Company intends to use the funds raised from the October Placement towards its Norseman Gold Project, fees payable to the Joint Lead Managers, general working capital, balance sheet buffer and contingency; and
- (g) the Tranche 2 Shares will be issued under short form subscription applications pursuant to which subscribers under the October Placement will be issued Tranche 2 Shares at an issue price of \$0.145 per Share subject to Shareholder approval.

9. **Resolution 8 – Ratification of prior issue – October Placement Shares**

9.1 **General**

Reference is made to the October Placement referred to in Section 8.1 of this Explanatory Statement.

The Tranche 1 Shares are proposed to be issued prior to the Meeting.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Shares.

9.2 **ASX Listing Rules 7.1 and 7.4**

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

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

9.3 **Technical information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Tranche 1 Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 8 is not passed, the Tranche 1 Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

9.4 **Technical information required by Listing Rule 7.4**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Tranche 1 Shares:

- (a) the Shares are to be issued prior to the Meeting to clients of Argonaut Securities Pty Limited, Amicaa Advisors Pty Ltd, Euroz Hartleys Limited and CLSA Australia Pty Ltd (**Joint Lead Managers**). In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that
 - (i) one substantial shareholder of the Company, being Franklin Resources, Inc., and its affiliates will be issued Tranche 1 Shares; and
 - (ii) none of the other issuees are:
 - (A) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisors of the Company or any associate of any of these parties; and
 - (B) issued more than 1% of the issued capital of the Company;
- (b) a total of 57,991,004 Shares will be issued prior to the Meeting;

- (c) the Shares will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares are proposed to be issued on 31 October 2022;
- (e) the issue price is \$0.145 per Share;
- (f) the purpose of the issue is to raise funds for Norseman Gold Project, fees payable to the Joint Lead Managers, general working capital, balance sheet buffer and contingency; and
- (g) the Tranche 1 Shares will be issued under short form subscription applications pursuant to which subscribers under the October Placement were be issued Tranche 1 Shares at an issue price of \$0.145 per Share subject to Shareholder approval.

GLOSSARY

In this Explanatory Statement (and the Notice of Meeting) the following terms will bear the following meanings, unless the context otherwise requires:

\$ means Australian dollars.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the securities exchange administered by ASX Limited as applicable.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting and where relevant the Chair for the relevant part 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'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).

Company means Pantoro Limited.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- A. is not included in the S&P/ASX 300 Index; and
- B. has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or Meeting means the meeting convened by this Notice.

Group Company means the Company or any of its subsidiaries.

Key Management Personnel has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes 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, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.

Meeting means the annual general meeting of Shareholders convened by this Notice.

Nominee means a nominee permitted under the Plan.

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

Ordinary Securities has the meaning set out in the ASX Listing Rules.

October Placement has the meaning given in Section 8.1 of this Explanatory Memorandum.

Performance Right means a performance right issued under the Plan.

Placement has the meaning given in Section 6.1 of this Explanatory Memorandum.

Placement Shares has the meaning given in Section 6.1 of this Explanatory Memorandum.

Plan means the Pantoro Limited Incentive Awards Plan the subject of Resolution 4 and summarised in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the proposed 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 holder of a Share.

Tranche 1 Shares has the meaning given in Section 8.1 of this Explanatory Memorandum.

Tranche 2 has the meaning given in Section 8.1 of this Explanatory Memorandum.

Tranche 2 Shares has the meaning given in Section 8.1 of this Explanatory Memorandum.

VWAP means the volume-weighted average price of Shares on ASX.

WST means Western Standard Time as observed in Perth, Western Australia.

10% Placement Capacity has the meaning given in section 4.1 of the Explanatory Statement.

Schedule 1 – Summary of the terms of the Plan

(a) **Nature of Plan**

An incentive awards plan providing for the issue of Shares, Options and Performance Rights (**Awards**) as incentives to Eligible Participants.

(b) **Eligibility**

Eligible Participants are current or proposed:

- (a) Directors (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a “Group Company”); or
- (b) full, part time or casual employees or contractors of any Group Company;

who are declared by the Board to be eligible to receive grants of Awards under the Incentive Awards Plan.

(c) **Invitation and Application Form**

The Board may, in its absolute discretion, make a written invitation to any Eligible Participant to apply for Awards upon the terms set out in the Incentive Awards Plan and upon such additional terms and conditions as the Board determines. On receipt of an Invitation, an Eligible Participant (or their permitted nominee) may apply for the Awards 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 its discretion.

(d) **Invitation Limits**

Where an Invitation is proposed to be made, without prospectus disclosure, of Awards and the Invitation is intended to rely on ASIC Class Order 14/1000 (**ASIC Relief**) or, from 1 October 2022, be made under the new employee share scheme (**ESS**) provisions of the Corporations Act (**ESS Provisions**), the Company must have reasonable grounds to believe, when making such an Invitation, that the Invitation will not result in the Company breaching the cap imposed by ASIC Class Order relief or the ESS Provisions, as applicable.

In general terms:

- (a) if relying on ASIC Relief, the cap applies to Invitations for any Awards. If relying on the ESS Provisions, the cap only applies to Invitations that require the applicant or holder to pay the Company monies on issue or exercise of the Award (eg options);
- (b) in determining if the Invitation will exceed the cap, the Company must count the Shares that may be issued under the Invitation together with Shares that have been issued, or that could be issued, under invitations made under the Plan and other employee share schemes over the 3 years prior to the Invitation; and
- (c) the cap is 5% of Shares on issue at the time of the Invitation, or such other percentage as specified in the Company’s constitution (which does not currently specify a cap).

(e) **Conditions to acquisition of Awards**

The issue of Awards is conditional on any necessary shareholder, constitutional and regulatory approval being obtained.

(f) **Terms of Convertible Securities**

- (i) Each Option or Performance Right (each a **Convertible Security**) will entitle its holder to subscribe for and be issued or transferred, one Share (upon vesting and exercise of that Convertible Security) unless the Plan or an applicable Invitation otherwise provides.
- (ii) There are no participating rights or entitlements inherent in Convertible Securities and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company without exercising the Convertible Securities.
- (iii) There is no right to a change in the exercise price or in number of underlying Shares over which a Convertible Security can be exercised, except to the extent an Invitation otherwise provides where permitted by the ASX Listing Rules.
- (iv) A Convertible Security does not entitle a participant to vote except as otherwise required by law.
- (v) A Convertible Security does not confer any right to a return of capital, whether in a winding up, or upon a return of capital or otherwise, or a right to participate in surplus profit or assets of the Company upon a winding up.
- (vi) A Convertible Security does not confer an entitlement to participate in or receive any dividend (whether fixed or at the discretion of the Board) until the Convertible Security has vested and been exercised and Shares have been allocated as a result of the exercise of the Convertible Security.

(g) **Vesting and exercise of Convertible Securities**

Convertible Securities will not vest and be exercisable unless the vesting conditions (if any) attaching to that Convertible Security (**Vesting Conditions**) have been satisfied and the Board has notified the Eligible Participant of that fact. The Board may, in its absolute discretion, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Convertible Securities.

There is no automatic vesting on a change of control but it can be provided for in specific Invitations for specific Convertible Securities.

(h) **Cashless Exercise Facility**

The Board may, in its discretion, where the 7 day VWAP price of Shares (**Market Value**) is higher than the exercise price of vested Options, permit a Participant not pay the exercise price for exercised Options and instead be issued 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**).

(i) **Lapsing of Convertible Securities**

A Convertible Security will lapse upon the earlier of:

- (i) the Board, in its discretion, resolving a Convertible Security lapses as a result of an unauthorised disposal of, or hedging of, the Convertible Security;
- (ii) a Vesting Condition not being satisfied or becoming incapable of satisfaction (and not being waived by the Board in its discretion);
- (iii) in respect of an unvested Convertible Security, the holder ceases to be an Eligible Participant and the Board does not exercise its discretion to vest the Convertible Security or allow it to remain unvested;
- (iv) in respect of a vested Convertible Security, a holder ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Convertible Security must be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant, and the Convertible Security is not exercised within that period and the Board resolves, at its discretion, that the Convertible Security lapses as a result;
- (v) upon payment of a Cash Payment in respect of the vested Convertible Security;
- (vi) the Board deems that an Convertible Security lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under the rules of the Incentive Plan;
- (vii) in respect of an unvested Convertible Security, a winding up resolution or order is made, and the Convertible Security does not vest in accordance with rules of the Incentive Plan;
- (viii) the Participant and the Company agreeing that the Convertible Security is voluntarily forfeited or cancelled; and
- (ix) the Expiry Date of the Option or Performance Right.

(j) Disposal Restriction on Convertible Securities

Except as otherwise provided for by the Incentive Awards Plan, an Invitation, the ASX Listing Rules or required by law, a Convertible Security may only be disposed:

- (i) with the consent of the Board (which may be withheld in its discretion) in Special Circumstances, being:
 - (A) ceasing to be an Eligible Participant due to death or total or permanent disability, or retirement or redundancy;
 - (B) severe financial hardship; or
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant Invitation; or
- (ii) by force of law upon death to the Participant’s legal personal representative or upon bankruptcy to the Participant’s trustee in bankruptcy.

(k) Disposal Restrictions on Shares

- (i) Shares can be made subject to a Restriction Condition and/or a Restriction Period, either of which prohibit disposal until satisfied or waived at the Board’s discretion (unless an Invitation otherwise provides).

- (ii) Shares are deemed to be subject to a Restriction Period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.
- (iii) If a Restriction Condition is not met (and is not waived), the Company may, amongst other remedies, buyback and cancel the Shares for nil consideration, sell the Shares for at least 80% of Market Value and retain the sale proceeds, or declare the Shares to be forfeited and, where held by a trustee, for the Shares to return to the unallocated pool or to be allocated to a different Participant.
- (iv) A Share that is subject to a Restriction Period is not at risk of buyback/forfeiture, it is just unable to be disposed during the Restriction Period.
- (v) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (vi) The Participant agrees to execute a restriction agreement in relation to the Restricted Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan or any escrow imposed by the ASX Listing Rules.

(l) **Other Key Terms**

- (i) All Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (ii) In the event of a reorganisation of the capital of the Company, all rights of the holder of an Award will be amended to the extent necessary to comply with the Corporations Act and the ASX Listing Rules applying to reorganisations at the time of the reorganisation.
- (iii) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Awards except to the extent an Invitation provides otherwise.
- (iv) No issue or allocation of Awards and/or Shares will be made to the extent that it would contravene the Constitution, Listing Rules, the Corporations Act or any other applicable law.