

Letter to Shareholders Regarding Annual General Meeting

Dear Shareholder

Further to the announcement on 7 October 2022, Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) (**Black Rock** or the **Company**), confirms its Annual General Meeting will be held on Monday, 28 November 2022, commencing at 2:00pm (AWST). The meeting will be held at The Park Business Centre, 45 Ventnor Avenue, Perth WA 6005.

In accordance with section 110D of the Corporations Act 2001 (Cth) the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless they have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting can be viewed and downloaded from the website link:

<https://blackrockmining.com.au/investor-centre/#asx-announcements>

Voting at the Meeting will occur by poll. A copy of your personalised proxy form is enclosed for convenience. Please complete and return the attached proxy form to the Company's share registry, Computershare by:

Online:

At www.investorvote.com.au

Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001
Australia

Mobile:

Scan the QR Code on your proxy form and follow the prompts

Custodian Voting:

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Your proxy voting instruction must be received by 2:00pm (AWST) on Saturday, 26 November 2022, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice of Meeting and accompanying Explanatory Memorandum is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Computershare on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia).

This announcement has been authorised by the Board of Black Rock Mining Limited.

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ASX: BKT

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Directors
Richard Crookes Chairman
John de Vries Managing Director & CEO
Ian Murray Non-Executive Director

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BLACK ROCK MINING LIMITED
ACN 094 551 336
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2pm AWST
DATE: 28 November 2022
PLACE: The Park Business Centre
45 Ventnor Avenue
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 professional advisers prior to voting.

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 2.00pm (AWST) on 26 November 2022.

BUSINESS OF THE MEETING

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 Director's 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.

A voting prohibition statement applies to this Resolution. Please see below.

3. □ RESOLUTION 2 – RE-ELECTION OF DIRECTOR – RICHARD CROOKES

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 15.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Richard Crookes, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. □ RESOLUTION 3 – ADOPTION OF EMPLOYEE SECURITIES INCENTIVE 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)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Securities Incentive Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

5. □ RESOLUTION 4 – APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER EMPLOYEE SECURITIES INCENTIVE PLAN

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

“That, conditional on Resolution 3 being approved, for a period commencing from the date this Resolution is passed and ending upon the

expiry of all Securities issued or to be issued under the Employee Securities Incentive Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Statement. "

A voting prohibition statement apply to this Resolution. Please see below.

6. □ RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

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 all other purposes, Shareholders ratify the issue of 16,864,131 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

7. □ RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A

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 all other purposes, Shareholders ratify the issue of 87,302,536 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

8. □ RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

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 1,500,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

9. □ RESOLUTION 8 – INCREASE AGGREGATE FEE POOL FOR NON-EXECUTIVE DIRECTORS

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

"That, for the purposes of Listing Rule 10.17, clause 14.8(f) of the Company's Constitution and all other purposes, the aggregate amount of fees that may be paid to non-executive Directors as a whole for the years from and including the year commencing 1 July 2022 be increased from \$300,000 per annum to \$600,000 per annum (being an increase of \$300,000) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

10.□ RESOLUTION 9 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, 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 Statement.”

11.□ RESOLUTION 10 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS – JOHN DE VRIES

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 10.14 and for all other purposes, approval is given for the Company to issue up to 2,441,217 Performance Rights to John de Vries (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

12.□ RESOLUTION 11 – APPROVAL OF ISSUE OF OPTIONS – RICHARD CROOKES

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 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 946,602 Options to Richard Crookes (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

13.□ RESOLUTION 12 – APPROVAL OF ISSUE OF OPTIONS – IAN MURRAY

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 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 582,524 Options to Ian Murray (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

Dated: 12 October 2022

By order of the Board

A handwritten signature in black ink, appearing to be 'JD' or similar initials, written in a cursive style.

**James Doyle
Company Secretary**

Voting Prohibition Statements

The following voting prohibitions apply to each of the following Resolutions:

Resolution 1 – Adoption of Remuneration Report	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:
Resolution 3 – Adoption of Employee Securities Incentive Plan	(a) <input type="checkbox"/> a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
Resolution 4 – Approval of potential termination benefits under Employee Securities Incentive Plan	(b) <input type="checkbox"/> a Closely Related Party of such a member.
Resolution 8 – Increase Aggregate Fee Pool for Non-Executive Directors	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:
Resolution 10 – Approval of issue of Performance Rights – John de Vries	(a) <input type="checkbox"/> the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
Resolution 11 – Approval of issue of Options – Richard Crookes	(b) <input type="checkbox"/> the voter is the Chair and the appointment of the Chair as proxy:
Resolution 12 – Approval of issue of Options – Ian Murray	(i) <input type="checkbox"/> does not specify the way the proxy is to vote on this Resolution; and
	(ii) <input type="checkbox"/> 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.
	In addition a vote on Resolution 4 must not be cast by any participants or potential participants in the Employee Securities Incentive Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.
	However, a vote may be cast by such a person if:
	(a) <input type="checkbox"/> the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
	(b) <input type="checkbox"/> it is not cast on behalf of the person or an associate of the person.
	Further, in accordance with section 224 of the Corporations Act, a vote on Resolution 11 and Resolution 12 must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.
	However, the above prohibition does not apply if:
	(a) <input type="checkbox"/> it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
	(b) <input type="checkbox"/> it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.
	Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.
	If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 3 – Adoption of Employee Securities Incentive Plan	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 scheme in question or any associate of those persons.
Resolution 5 – Ratification of Prior Issue of Placement Shares – Listing Rule 7.1	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 (namely the Placement Participants) or an associate of that person or those persons.
Resolution 6 – Ratification of Prior Issue of Placement Shares – Listing Rule 7.1A	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 (namely the Placement Participants) or an associate of that person or those persons.
Resolution 7 – Ratification of Prior Issue of Options – Listing Rule 7.1	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 or an associate of that person or those persons.
Resolution 8 – Increase Aggregate Fee Pool for Non-Executive Directors	The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director or any of their associates.
Resolution 9 – Approval of 7.1A Mandate	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 Company) or an associate of that person (or those persons).
Resolution 10 – Approval of issue of Performance Rights – John de Vries	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or any associate of those persons.
Resolution 11 – Approval of issue of Options – Richard Crookes	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or any associate of those persons.
Resolution 12 – Approval of issue of Options – Ian Murray	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or any associate of those persons.

However, the above voting exclusions 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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 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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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:

- 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.

The Directors strongly encourage all shareholders to lodge a directed proxy form prior to the Meeting.

Voting in person

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

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from the Company's share registry will need to verify your identity. You can register from 9:30am AWST on the day of the Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6383 6200.

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.

1. □ FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, 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.blackrockmining.com.au.

2. □ RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 □ 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.

2.2 □ 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.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

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 Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – RICHARD CROOKES

3.1 General

Clause 15.2 of the Constitution provides that one-third of the Directors (excluding the Managing Director) must retire at the Company's annual general meeting. The Directors to retire are those who have been in office the longest since their last election.

The Company currently has three directors, one of whom is the Managing Director. Accordingly, one Director must retire at this Meeting.

A Director who retires in accordance with clause 15.2 is eligible for re-election and that re-election takes effect at the conclusion of the Meeting.

Listing Rule 14.5 also requires that listed entities must hold an election of directors at each annual general meeting.

Richard Crookes, Non-Executive Director, was last elected at the annual general meeting of the Company held on 23 November 2020 and has held office the longest since re-election. Accordingly, Mr Crookes retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

3.2 Background

Mr Crookes has over 30 years' experience in the resources and investments industries. He is a geologist by training having worked in the industry most recently as the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia (now Glencore). Mr Crookes was most recently an Investment Director at EMR Capital and prior to that he was an Executive Director in Macquarie Bank's Metals Energy Capital (MEC) division where he managed all aspects of the Bank's principal investments in mining and metals companies as well as the origination of numerous project finance transactions. Mr Crookes has extensive experience in deal origination, evaluation, structuring, and completing investment entry and exits for both private and public resource companies in Australia and overseas, as well as execution of Project Finance transactions in Africa.

Mr Crookes is Chair of the Board and a member of both the Audit and Remuneration and Nomination Committees.

3.3 Independence

Mr Crookes has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Crookes will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Crookes.

Richard Crookes has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

3.5 Board recommendation

The Board has reviewed Mr Crookes performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Crookes and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – ADOPTION OF EMPLOYEE SECURITIES INCENTIVE PLAN

4.1 General

Resolution 3 seeks Shareholder approval for the adoption of the employee incentive scheme titled "Employee Securities Incentive Plan" (**Plan**) and for the issue of securities under the Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Plan is to attract, motivate and retain key employees, directors and consultants and the Company considers that the adoption of the Plan and the future issue of securities under the Plan will provide selected employees, directors and consultants with the opportunity to participate in the future growth of the Company.

4.2 Listing Rule 7.1 and Listing Rule 7.2 (Exception 13(b))

Broadly speaking, and subject to a number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 3 is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years from the date of the Meeting. The issue of any securities to eligible participants under the Plan (up to the

maximum number of securities stated in Section 4.3(c) below) 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.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 3 is not passed, the Company will be able to proceed with the issue of securities under the Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of those securities.

4.3 **Technical information required by Listing Rule 7.2 (Exception 13)**

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 3:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 1;
- (b) the Company has not issued any securities under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan, however, the Company does have in place an Incentive Share Plan which was approved by Shareholders on 23 November 2020 under which a total of 1,292,353 Shares have been issued since this was adopted; and
- (c) the maximum number of securities proposed to be issued under the Plan in reliance on Listing Rule 7.2 (Exception 13(b)), is 97,725,564 securities. It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.

4.4 **Additional information**

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

5. **RESOLUTION 4 – APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER EMPLOYEE SECURITIES INCENTIVE PLAN**

5.1 **General**

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

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

The Company has not previously sought and obtained Shareholder approval at an annual general meeting for the granting of such termination benefits. However, as the Company is seeking a fresh approval under Listing Rule 7.2, exception 13(b) at this Meeting (the subject of Resolution 3) to adopt the Plan, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with this Resolution.

If Resolution 4 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

5.2 **Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 4, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

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

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

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

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

5.3 **Valuation of the termination benefits**

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the

Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

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

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

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

5.4 Additional information

Resolution 4 is conditional on the passing of Resolution 3.

If Resolution 3 is not approved at the Meeting, Resolution 4 will not be put to the Meeting.

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 AND RESOLUTION 6 – RATIFICATION OF THE ISSUE OF PLACEMENT SHARES

6.1 Background

As announced on 6 May 2022, the Company undertook a placement to institutional, professional and/or sophisticated investors of 104,166,667 Shares (**Placement Shares**) at an issue price of \$0.24 per Share to raise a total of \$25 million (before costs) (**Placement**). The Placement was completed on 16 May 2022.

The Placement was completed within the Company's placement capacity under Listing Rules 7.1 and 7.1A, comprising:

- (a) 16,864,131 Shares under Listing Rule 7.1, ratification of which is sought under Resolution 5; and
- (b) 87,302,536 Shares under the Company's 7.1A mandate (which was approved by Shareholders at the annual general meeting held on 22 November 2021), ratification of which is sought under Resolution 6.

Shaw and Partners Limited and Aitken Mount Capital Partners acted as Joint Lead Managers to the Placement, who were also supported by Petra Capital, Blue Ocean Equities and PAC Partners.

6.2 Listing Rules 7.1 and 7.1A

As summarised in Section 4.2 above, 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 12 month period.

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**).

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 22 November 2021.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively used up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

6.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 4 and 5 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 4 and 5 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 4 and 5 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

6.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Placement Shares were issued to new and existing institutional and/or sophisticated investors. The recipients of the Placement Shares were identified through a bookbuild process, which involved Shaw and Partners Limited and Aitken Mount Capital Partners, together as Joint Lead Managers, seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms:
 - (i) that none of the recipients were related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) Regal Funds Management Pty Ltd and Tribeca Investment Partners were each issued more than 1% of the issued capital of the Company at the time of issue of the Placement Shares;
- (c) 104,166,667 Placement Shares were issued on the following basis:
 - (i) 16,864,131 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 5); and
 - (ii) 87,302,536 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 6);
- (d) the Placement 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;
- (e) the Placement Shares were issued on 16 May 2022;
- (f) the issue price of the Placement Shares was \$0.24 per Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the funds raised from the issue of the Placement Shares have and will be used to strengthen the Company's balance sheet, advance the development of the Mahenge Graphite Mine, including early works programme and the purchase of long lead items, and for general and corporate purposes;
- (h) the Placement Shares were issued under firm commitment letters entered into by the Company with each of the Placement Participants on standard terms and conditions; and
- (i) a voting exclusion statement has been included for the purpose of Resolutions 5 and 6.

6.6 Additional information

Resolutions 5 and 6 are ordinary resolutions.

The Board recommends that Shareholders vote in favour of Resolutions 5 and 6.

7. □ **RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1**

7.1 □ **Background**

On 23 August 2022, the Company issued 1,500,000 Options, on the terms set out in Schedule 2 (**Options**), for nil cash consideration under the Company's 15% placement capacity under Listing Rule 7.1, to attract, retain and incentivise an employee of the Company (**Option Issue**).

7.2 □ **Listing Rules 7.1**

As summarised in Section 4.2 above, 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 the period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Option Issue does not fall within any of the exceptions to Listing Rule 7.1 under Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue date of the Options.

7.3 □ **Listing Rule 7.4**

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issue under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

Resolution 7 seeks Shareholder ratification of the Option Issue under and for the purposes of Listing Rule 7.4.

7.4 □ **Technical information required by Listing Rule 14.1A**

If Resolution 7 is passed, the Option Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue date of the Option Issue.

If Resolution 7 is not passed, the Option Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue date of the Option Issue.

7.5 □ Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) □ the Options were issued to Chief Financial Officer, Mr Paul Sims, as a long term incentive;
- (b) □ the Company confirms that the recipient was not issued more than 1% of the issued capital of the Company;
- (c) □ 1,500,000 Options were issued and the Options were issued on the terms and conditions set out in Schedule 2;
- (d) □ the Options were issued on 23 August 2022;
- (e) □ the Options were issued at a nil issue price, in consideration for services to be provided by Mr Sims. The Company has not and will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) □ the purpose of the issue of the Options was to attract, retain and incentivise a key employee of the Company; and
- (g) □ the Options were issued pursuant to an Executive Services Agreement entered between Mr Sims and the Company. The Executive Services Agreement is on customary terms for such an agreement between a listed entity of the size of the Company and its Chief Financial Officer.

8. □ RESOLUTION 8 – INCREASE AGGREGATE FEE POOL FOR NON-EXECUTIVE DIRECTORS

8.1 □ General

Resolution 8 seeks Shareholder approval to increase the maximum total amount available for payment by way of remuneration to non-executive Directors from \$300,000 to \$600,000 per annum, being an increase of \$300,000.

The fee pool for non-executive Directors was last approved by Shareholders on 26 November 2007 when it was set at \$300,000.

In accordance with the Constitution and Listing Rule 10.17, the Company must not increase the total amount of non-executive Directors' fees payable by it and any of its child entities without Shareholder approval.

In February 2022, the Company commissioned BDO Remuneration and Reward Practice (**BDO**) to provide reports to define and benchmark Peer Group, Executive Remuneration and NED Remuneration.

The report indicated that the Company's Non-Executive Director remuneration structure was below the peer group. To date this has been seen as an appropriate and prudent remuneration level for the Company's Non-Executive Directors, reflecting a smaller organisation with an interesting and 'developing exploration into project' proposition. However, the Company is in a different stage of its development and has new strategic ambitions to develop the Mahenge Graphite Project to a significant phase (funding and construction) from now into 2025.

To attract and retain experienced Non-Executive Directors the Board has resolved to adjust the current fee level, subject to the receipt of Shareholder approval.

This adjustment is consistent with the remuneration principles of the Company to benchmark compensation, to maintain market relativity and be competitive.

Whilst a fee increase is proposed, the Board believes that it is not prudent heading into a Project Execution phase to increase fees with cash alone. Accordingly, the Board is also proposing to issue the Non-Executive Directors with the Director Options the subject of Resolutions 11 and 12.

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.

The total fees payable to the current Non-Executive Directors will remain below the current cap of \$300,000, and it is not envisaged that the proposed increase to the fee pool will be utilised in the near term.

However, the increase is sought to ensure that the Company:

- (a) has the ability to attract and retain new Non-Executive Directors whose skills and qualifications are appropriate for a company of the size and nature of the Company;
- (b) align the Non-Executive Directors' remuneration with current market standards and expectations;
- (c) maintains its capacity to remunerate both existing and any new Non-Executive Directors joining the Board as the Company progresses the Mahenge Graphite Project and transitions from an exploration into a development and production Company; and
- (d) remunerates its Non-Executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates, while being acceptable to Shareholders.

In the three year period preceding the date of this Notice, the Company has issued Equity Securities to a Non-Executive Director (or their respective nominees) under Listing Rule 10.11 or 10.14 as follows:

Non-Executive Director	Shareholder approval (Listing Rule)	Equity Securities	Number of Securities	Date of issue
Richard Crookes	10.11	Shares ²	642,857	18 November 2019
	10.11	Options	2,400,000	18 November 2019
	10.11	Options	2,000,000	22 December 2020
	10.11	Shares ³	682,044	22 December 2020

Non-Executive Director	Shareholder approval (Listing Rule)	Equity Securities	Number of Securities	Date of issue
	10.14	Shares ³	165,670	25 June 2021
Ian Murray	10.11	Shares ²	4,285,714	18 November 2019
	10.11	Options	1,600,000	18 November 2019
	10.11	Options	2,000,000	22 December 2020
	10.11	Shares ³	450,149	22 December 2020
	10.14	Shares ³	109,342	25 June 2021
Gabriel Chiappini ¹	10.11	Shares ²	642,857	18 November 2019
	10.11	Options	1,600,000	18 November 2019
	10.11	Options	2,000,000	22 December 2020
	10.11	Shares ³	896,205	22 December 2020
	10.14	Shares ³	291,190	25 June 2021

1. □ Gabriel Chiappini ceased to be a Non-Executive Director of the Company, effective 30 September 2022.
2. □ Shares acquired at an issue price of \$0.07 as part of the Placement completed on 16 August 2019, as approved by Shareholders on 28 October 2019.
3. □ Shares issued in lieu of Director fees, as approved by Shareholders on 23 November 2020.

8.2 □ Board Recommendation

Mr de Vries recommends Shareholders vote in favour of this Resolution 8. Messrs Crookes and Murray decline from making a recommendation as the Resolution relates to the remuneration of Non-Executive Directors. The Chair of the Meeting intends to vote any undirected proxies in favour of approving the increase to the maximum aggregate fee pool for Non-Executive Directors.

9. □ RESOLUTION 9 – APPROVAL OF 7.1A MANDATE

9.1 □ 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 \$161.26 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 11 October 2022).

Resolution 9 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.

If Resolution 9 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 9 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.

9.2 **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 Resolution 9:

(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; and
- (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 9.2(b)(i), the date on which the Equity Securities are issued.

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for funding the Company's existing activities in Tanzania and for 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 Resolution 9 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 or proposed to be issued as at 11 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.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.0825	\$0.1650	\$0.2475
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	977,319,164 Shares	97,731,916 Shares	\$8,062,883	\$16,125,766	\$24,188,649
50% increase	1,465,978,746 Shares	146,597,874 Shares	\$12,094,325	\$24,188,649	\$36,282,974
100% increase	1,954,638,328 Shares	195,463,832 Shares	\$16,125,766	\$32,251,532	\$48,377,298

*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:

1. There are currently 977,319,164 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 11 October 2022, being \$0.1650.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.

4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. 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 issue 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.
6. 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.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. 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 22 November 2021 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 22 November 2021, the Company issued 87,302,536 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 9.26% of the total diluted number of Equity Securities on issue in the Company on 22 November 2021, which was 941,989,132.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12-month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 16 May 2022 Date of Appendix 2A: 16 May 2022
Recipients	New and existing institutional and sophisticated investors as part of a placement announced on 6 May 2022. The Placement Participants were identified through a bookbuild process, which involved the Joint Lead Managers with assistance from the Co-Managers (defined below) seeking expressions of interest to participate in the placement from non-related parties of the Company.
Number and Class of Equity Securities Issued	87,302,536 Shares ¹
Issue Price and discount to Market Price² (if any)	\$0.24 per Share (at a 12.7% discount to Market Price).
Total Cash Consideration and Use of Funds	Amount raised: total amount raised under Placement \$25,000,000 (before costs) (\$20,952,608 was raised from Shares issued under the Company's Listing Rule 7.1A placement capacity). Amount spent: \$9,432,834 (excluding costs of the Placement.) Use of funds: Advancing the development of the Mahenge Graphite Mine, including early works programme and the purchase of long lead items, and for general and corporate purposes. Amount remaining: \$14,285,921 Proposed use of remaining funds³: Funds will be used to strengthen Black Rock's balance sheet, advancing the development of the Mahenge Graphite Mine, including early works programme and the purchase of long lead items, and for general and corporate purposes.

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: BKT (terms are set out in the Constitution).
2. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the

purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of agreement to issue of the relevant Equity Securities.

- 3.□ This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

9.3□ 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.

10.□ RESOLUTION 10 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS - JOHN DE VRIES

10.1□ General

The Company is proposing, subject to obtaining Shareholder approval, to issue 2,441,217 Performance Rights under the Plan to John de Vries (or his nominees) (**MD Performance Rights**). A summary of the Plan is in Schedule 1.

The MD Performance Rights are comprised of a maximum of:

- (a)□ 699,712 MD Performance Rights issued as part of the short-term incentive package for John de Vries (**STIP MD Performance Rights**); and
- (b)□ 1,741,505 MD Performance Rights issued as part of the long-term incentive package for John de Vries (**LTIP MD Performance Rights**). The LTIP MD Performance Rights are separated into two classes – Class A which is based on project and growth milestones (non-market vesting conditions) and comprises up to a maximum of 75% of the total LTIP MD Performance Rights, and Class B, which is based on total shareholder return ('TSR') measure (market vesting condition) and comprises up to a maximum of 25% of the total LTIP MD Performance Rights.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the MD Performance Rights aims to align the efforts and interests of John de Vries with those of Shareholders.

The MD Performance Rights provide an entitlement to receive fully paid ordinary shares in the Company on achieving vesting conditions as determined by the Board. The vesting conditions have been developed to achieve growth in the Company's Share price and the creation of Shareholder value. In addition, the Board also believes that incentivising with performance rights is a prudent means of conserving the Company's available cash reserves whilst assisting in retaining key executives in a competitive market. If the vesting conditions are not achieved by the measurement date, the MD Performance Rights lapse and no Shares will be issued.

The MD Performance Rights will vest and otherwise be issued on the terms and conditions described in Schedule 3.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the MD Performance Rights to John de Vries (or his nominees) under the Plan.

10.2 Listing Rule 10.14

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

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

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

The effect of Shareholders passing Resolution 10 will be to allow the Company to issue the MD Performance Rights to John de Vries (or his nominees) under the Plan.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the MD Performance Rights, and the Company will have to consider alternative commercial means to incentivise John de Vries.

10.3 Specific information required by Listing Rule 10.15

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

- (a) The MD Performance Rights will be issued under the Plan to John de Vries (or his nominees).
- (b) John de Vries falls into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company.
- (c) A maximum of 2,441,217 MD Performance Rights will be issued to John de Vries (or his nominees) in the manner and proportions set out in Section 10.1 above.
- (d) The current total annual remuneration package for John de Vries as at the date of this Notice is:

Fixed Annual Remuneration (inclusive of Superannuation) (FAR)	\$410,000
Short-term incentive	45% of FAR (i.e. \$184,500 at Target 100% and \$230,625 at Stretch 125%) The short-term incentive is proposed to be comprised

	of 50% cash, and 50% STIP MD Performance Rights
Long term incentive	70% of FAR (i.e. \$287,000 at Target 100%) The long-term incentive is proposed to be comprised of the LTIP Performance Rights

- (e) No Equity Securities have previously been issued under the Plan to John de Vries (or his nominees).
- (f) The MD Performance Rights will be issued on the terms and conditions in Schedule 3. The Board considers that Performance Rights, rather than Shares or Options, are an appropriate form of incentive because they aim to align the remuneration of Mr de Vries with goal of generating shareholder wealth with vesting conditions that are designed to be consistent with the Company's strategic and business objectives. Mr de Vries will only be rewarded for the achievement of financial and non-financial business objectives and Mr de Vries will only obtain the value of the MD Performance Rights upon satisfaction of the relevant milestones.
- (g) The MD Performance Rights have been independently valued on behalf of the Company. Using Hoadley's ESO5 valuation model, the Class B LTIP MD Performance Rights are valued at \$0.0975 each. The valuation assumptions are summarised in Schedule 5. All other MD Performance Rights are subject to non-market vesting conditions and have been valued at \$0.1450 each, representing the closing Share price on the grant date 3 October 2022. The total valuation is therefore \$333,296.
- (h) The MD Performance Rights will be issued to John de Vries (or his nominees) as soon as practicable following the Meeting and in any event not later than three years after the Meeting.
- (i) The MD Performance Rights will be issued for nil cash consideration and will be provided as an incentive component to John de Vries's remuneration package.
- (j) A summary of the material terms of the Plan is in Schedule 1.
- (k) No loan will be provided to John de Vries in relation to the issue of the MD Performance Rights.
- (l) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (m) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (n) A voting exclusion statement is included in the Notice.

10.4 □ Chapter 2E of the Corporations Act

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

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

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

The proposed issue of the MD Performance Rights constitutes giving a financial benefit to a related party of the Company.

The Board (with John de Vries abstaining) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of the MD Performance Rights falls within the "reasonable remuneration" exception stipulated by section 211 of the Corporations Act.

10.5 □ Board recommendation

The Board (other than John de Vries who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of Resolution 10.

10.6 □ Additional information

Resolution 10 is an ordinary resolution.

11. □ RESOLUTION 11 AND RESOLUTION 12 – APPROVAL OF ISSUE OF OPTIONS - RICHARD CROOKES AND IAN MURRAY

11.1 □ General

The Company is proposing, subject to obtaining Shareholder approval, to issue:

- (a) □ 946,602 Options under the Plan to Non-Executive Chairman, Richard Crookes; and
- (b) □ 582,524 Options under the Plan to Non-Executive Director, Ian Murray,

or their respective nominees (together, **Director Options**).

The Director Options are proposed to be issued in lieu of a portion of cash fees payable to Richard Crookes and Ian Murray for the three year period beginning 1 July 2022 and ending 30 June 2025. The Director Options will be issued in three equal classes, Class A, Class B and Class C, vesting, subject to continued employment, on 30 June 2023, 30 June 2024 and 30 June 2025, respectively. The total number of Director Options to be issued has been calculated using the 20-day volume weighted average price of the Shares as traded on ASX to 30 June 2022, being, \$0.1648.

The Director Options will be issued on the terms and conditions in Schedule 4. A summary of the Plan is in Schedule 1.

Resolutions 11 and 12 seek Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act, for the issue of the Director

Options to Richard Crookes and Ian Murray (or their nominees), respectively, under the Plan.

11.2 Listing Rule 10.14

A summary of Listing Rule 10.14 is in Section 10.2 above.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Options as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director Options to Richard Crookes and Ian Murray (or their respective nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolutions 11 and 12 will be to allow the Company to issue the Director Options to Richard Crookes and Ian Murray (or their respective nominees).

If Resolutions 11 and 12 are not passed, the Company will not be able to proceed with the issue of the Director Options, and the Company will have to consider alternative commercial means to compensate Richard Crookes and Ian Murray, including by payment of cash, subject to the remuneration requirements of the Constitution, Corporations Act and Listing Rules.

11.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director Options:

- (a) The Director Options will be issued under the Plan to Richard Crookes and Ian Murray (or their respective nominees) in the proportions specified in Section 11.1.
- (b) to Richard Crookes and Ian Murray fall into the category stipulated by Listing Rule 10.14.1 by virtue of being Directors of the Company.
- (c) A maximum of 1,529,126 Director Options will be issued to Richard Crookes and Ian Murray (or their respective nominees) in the proportions specified in Section 11.1.
- (d) The current total annual remuneration for Richard Crookes and Ian Murray is comprised of the following:

Component	Richard Crookes	Ian Murray
Cash	\$100,000	\$63,000
Equity in Lieu of Cash ^{1,2}	\$52,000	\$32,000
TOTAL	\$152,000	\$95,000

- 1. The "Equity in Lieu of Cash" component of the remuneration is comprised of the Director Options.
- 2. The total number of Director Options to be issued is calculated using the 20-day volume weighted average price of the Shares as traded on ASX to 30 June 2022, being, \$0.1648.

- (e) No Securities have been issued under the Plan to Richard Crookes or Ian Murray (or their respective nominees).
- (f) The Director Options will be issued on the terms and conditions in Schedule 4.
- (g) The Board considers that Options, rather than Shares or Performance Rights, are an appropriate form of non-cash remuneration because they reward the Directors for achievement of sustained growth in the value of the Company. Additionally, the issue of the Director Options instead of payment of additional cash remuneration is a prudent means of enabling cash to be preserved, without compromising on the total remuneration package, and builds in a retention component of the Non-Executive Director engagement
- (h) The Director Options have been independently valued on behalf of the Company. A Hoadley Option Valuation Model was considered, however, as the Director Options are zero exercise price options, and subject to non-market vesting conditions, the valuation of the Director Options has been determined to be \$0.1450 each, representing the closing Share price on the grant date, 3 October 2022. Accordingly, the aggregate value of the Director Options to be issued for the three year period beginning 1 July 2022 and ending 30 June 2025 is approximately the following:
 - (i) Richard Crookes: \$137,257
 - (ii) Ian Murray: \$84,466
- (i) The Director Options will be issued as soon as practicable following the Meeting and in any event not later than three years after the Meeting.
- (j) The Director Options will be issued for nil cash consideration and will be provided as a component to the remuneration packages of Richard Crookes and Ian Murray.
- (k) A summary of the material terms of the Plan is in Schedule 1.
- (l) No loan will be provided to Richard Crookes or Ian Murray in relation to the issue of the Director Options.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

11.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is in Section 10.4 above.

The proposed issue of the Director Options constitutes giving a financial benefit to related parties of the Company.

Given the personal interests of all non-executive Directors in the outcome of Resolution 11 and Resolution 12, the Board is seeking Shareholder approval pursuant to Chapter 2E of the Corporations Act in respect of the issue of the Director Options. Notwithstanding that the issue of the Director Options is considered by the Board (with Richard Crookes and Ian Murray abstaining) to fall within the exception stipulated by section 210 of the Corporations Act, the Board considers that there may be potential conflicts of interest should Shareholder approval not be sought.

11.5□ Information required under Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Options:

(a)□ **Identity of the related parties to whom Resolution 11 and Resolution 12 would permit financial benefits to be given**

Refer to Section 11.3(a) above.

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

Resolution 11 and Resolution 12 seek Shareholder approval to allow the Company to issue the Director Options in the amounts specified in Section 11.1 to Richard Crookes and Ian Murray (or their respective nominees).

The Director Options are to be issued in accordance with the Plan and otherwise on the terms and conditions as detailed in Schedule 4.

The Shares to be issued upon conversion of the Director Options will be fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

(c)□ **Board recommendations**

The Board (other than Richard Crookes and Ian Murray who have a personal interest in the outcome of these Resolutions) recommends that Shareholders vote in favour of Resolutions 11 and 12.

(d)□ **Valuation of financial benefit**

Refer to Section 11.3(h) above.

(e)□ **Remuneration of the Directors**

Refer to Section 11.3(d) above.

(f)□ **Existing relevant interest of the Directors**

At the date of this Notice, Richard Crookes and Ian Murray hold the following relevant interests in Equity Securities of the Company:

Director	Shares	Options⁽¹⁾
Ian Murray	5,466,801	5,194,548
Richard Crookes	6,266,150	4,613,079

1. Options with various exercise prices between \$0.084 - \$0.15 and expiry dates between 28 October 2022 to 21 December 2023.

If Resolution 11 and Resolution 12 are approved by Shareholders, all of the Director Options are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised (including any existing Options held by Richard Crookes and Ian Murray as at the date of this Notice), the interests of each of Richard Crookes and Ian Murray in the Company would (based on the Share capital as at the date of this Notice) be as follows:

- (i) □ Ian Murray would hold approximately 0.62% of the Company's issued Share capital; and
- (ii) □ Richard Crookes would hold approximately 0.74% of the Company's issued Share capital.

(g) □ **Dilution**

The issue of the Director Options will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Options vest and are exercised. The potential dilution if all Director Options vest and are exercised into Shares is 0.16%. This figure assumes the current Share capital structure as at the date of this Notice and that no Shares are issued other than the Shares issued on exercise of the Director Options.

The exercise of all of the Director Options will result in a total dilution of all other Shareholders' holdings of 0.15% on a fully diluted basis (assuming that all other Securities are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) □ **Trading history**

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

Highest: \$0.315 per Share on 20 April 2022

Lowest: \$0.135 per Share on 23 June 2022, 25 August 2022 and 6 September 2022

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.165 per Share on 11 October 2022.

(i) □ **Corporate governance**

The Board notes that the grant of those Director Options to Richard Crookes and Ian Murray is in line with Recommendation 8.2 of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and that the grant does not affect the independence of Richard Crookes and Ian Murray as there

are no performance-based milestones attaching to those Director Options.

(j) **Taxation consequences**

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

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 11 and Resolution 12.

11.6 **Board recommendation**

John de Vries, being the only Director without an interest in the outcome of Resolutions 11 and 12, recommends that Shareholders vote in favour of Resolutions 11 and 12.

11.7 **Additional information**

Resolutions 11 and 12 are ordinary resolutions.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 6.

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

ASIC means the Australian Securities & Investments Commission.

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.

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.

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 Black Rock Mining Limited (ACN 094 551 336).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Incentive Share Plan means the Company's current incentive share plan approved by Shareholders at the Company's annual general meeting on 23 November 2020.

Joint Lead Managers mean Shaw and Partners Limited and Aitken Mount Capital Partners.

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.

Managing Director means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Option Issue means the issue of 1,500,000 Options completed by the Company on 23 August 2022.

Placement means the placement of 104,166,667 Shares at \$0.24 per Share completed by the Company on 16 May 2022.

Placement Participants means investors who received an allocation of Shares in the Placement.

Placement Shares means the 104,166,667 Shares issued under the Placement.

Plan means the Employee Securities Incentive Plan, a summary of which is set out in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's 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.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

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

SCHEDULE 1 – SUMMARY OF EMPLOYEE SECURITIES INCENTIVE PLAN

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

This relevantly includes, amongst others:

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

2. **(Maximum allocation)** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (a) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (b) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

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

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

4. **(Plan administration):** The 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, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

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

17.□ (Amendment of Plan): Subject to the following paragraph, the Board may at any time amend any provisions of the 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.

18.□ (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.

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SCHEDULE 2 – TERMS & CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (n), the amount payable upon exercise of each Option will be \$0.40 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire on or before 26 April 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Conditions for Vesting**

(i) The Options will vest in equal tranches on the following dates:

(A) 25 April 2023;

(B) 25 April 2024; and

(C) 25 April 2025,

(each a **Vesting Condition**).

(ii) The Options will only vest if:

(A) the relevant Vesting Condition has been satisfied;

(B) a good leaver exception applies (eg due to death, total and permanent disability, retirement or redundancy, terminal illness, severe financial hardship); or

(C) a Change of Control event occurs.

(e) **Exercise Period**

The exercise period for Options will commence when the Options have vested in accordance with the Vesting Condition and will end on the Expiry Date (Exercise Period).

(f) **Cessation of Employment or Engagement**

Where the holder of an Option ceases employment or engagement (as applicable) with the Company:

(i) all unvested Options will lapse on the date the holder's employment ceases unless the Board in its sole and absolute discretion determines otherwise; and

(ii) all vested Options that have not been exercised will continue in force and remain exercisable, for a period of 3 months from the date the holder's employment ceases.

(g) **Lapse of Options**

Unless the Board determines otherwise in its sole and absolute discretion, unvested Options will lapse on the earlier of:

- (i) the cessation of employment, engagement or office of a holder (as set out in clause (h)) in accordance with clause (i); or
- (ii) the Expiry Date.

(h) **Good Leaver and Bad Leaver**

Should the holder cease to be employed or engaged by the Company and:

- (i) the holder is a bad leaver (as determined by the Board in its absolute discretion), the holder will have 30 days to exercise any vested Options, otherwise they will lapse; or
- (ii) the holder is not a bad leaver (as determined by the Board in its absolute discretion), the Board has discretion to determine the period in which any vested Options will remain exercisable.

(i) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(j) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(k) **Change of Control Event**

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.

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 Company's shareholders (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 or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.

(l) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) 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
- (iii) 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 Options.

If a notice delivered under (l)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, 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.

(m) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(n) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(o) **Participation in new issues**

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

(p) **Change in exercise price**

There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

(q) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would

have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the exercise price.

(r) **Voting rights**

The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.

(s) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS & CONDITIONS OF MD PERFORMANCE RIGHTS

The following terms and conditions apply to each of the MD Performance Rights (each a **Performance Right**):

1. **(Milestones)** The Performance Rights have the following milestones attached to them (each referred to as a **Milestone**):

(a) In respect of the STIP MD Performance Rights:

(i) Gateways to vesting:

(A) Safety: No fatalities / total or permanent disabling injuries;

(B) Environment: No 'material' environmental breaches (defined by the Environmental incident rating and classification of event); and

(C) ESG: No material community or reputational issues; and

(ii) The following Milestones apply:

Hurdle	KPI and Measure	Weighting	60% vesting	80% vesting	100% vesting
Project	Project execution schedule Compliant (within % master schedule)	15%	30 June 23 >10 - 12.5%	30 June 23 7.5 - 10%	30 June 23 < 7.5%
	>90% of Project expenditure to be tied into Project PO's (Project budget v Project unbudget expenditure)	15%	30 June 23 >87.5-90%	30 June 23 >90% - 95%	30 June 23 >95%
Finance	Mahenge Module 1 Fully Financed (Debt & Equity in place)	30%	1 April 23 - 31 May 2023	1 Jan 23 - 31 March 2023	31 Dec 2022
Business development	Strategy beyond module 1 and, business case on priority target	10%	1 April 23 - 30 June 2023	1 Jan 23 - 31 March 2023	31 Dec 2022
Sustainability	RAP implementation plan	20%	31 Jan 23 4 stages of compensation complete	30 June 23 Construction of housing commenced	1 March 2023 Construction of housing commenced
	Publish an updated document on principles and program on ESG	10%	>1 April 2023	1 March 23 - 31 March 2023	<Feb 28 2023

(b) In respect of the LTIP MD Performance Rights:

Class	Vesting Condition	Measure	Target Weighting
Class A	The Company announcing the completion of construction of the Black Rock Mahenge Graphite Project.		
	i Wet Commissioning – Project meets budget, schedule, safety	31 Dec 2023	25%
	ii Performance Testing – design parameters	Performance test meets name plate%; throughput cost recovery 30 June 2024	25%
	One Growth project identified		
	Final Investment Decision Completed	20 June 2025	25%
Class B	Absolute TSR Measure (3 Year Assessment)		25%
	3-yr TSR <10% p.a, equivalent to <33.1% increase in share price	1 January 2025	0% vesting
	3-yr TSR between 10-20% p.a, equivalent to 33.1-72.8% increase in share price	1 January 2025	Pro rata vesting between 5-25%
	3-yr TSR >20% p.a, equivalent to >72.8% increase in share price	1 January 2025	25% vesting

2. (Vesting) Subject to the satisfaction of the Milestone, the Company will notify the Holder in writing (Vesting Notice) within 3 Business Days of becoming aware that the relevant Milestone has been satisfied.
3. (Exercise) Any time between receipt of a Vesting Notice and the Expiry Date (as defined in clause 4 below), the Holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary. The Holder is not required to pay a fee to exercise the Performance Rights.
4. (Expiry Date) The Performance Rights will expire and lapse on the first to occur of the following:
- (a) a Milestone not being satisfied by 5.00pm (AWST) on the Milestone date specified in clause 1; and
 - (b) 5.00pm (AWST) on the date which is 5 years after the date of issue of the Performance Rights,

(Expiry Date).

5. **(Transfer)** The Performance Rights are not transferable.
6. **(Entitlements and bonus issues)** Subject always to the rights under clause 7, Holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
7. **(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 ASX 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.
8. **(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 ASX Listing Rules where such rights cannot be excluded by these terms.
9. **(Dividend rights)** A Performance Right does not entitle the Holder to any dividends.
10. **(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.
11. **(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.
12. **(Change in control)** 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.

A Change of Control Event occurs when:

- (a) **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
 - (b) **scheme of arrangement:** the announcement by the Company that the Company's shareholders (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 or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
13. **(Takeovers prohibition):**
 - (a) the issue of Shares on exercise of the Performance Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.
 14. **(Issue of Shares)**

As soon as practicable after the later of the following:

- (a) the Company receives a Notice of Exercise or the Performance Rights convert under clause 12; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (c) issue the Shares specified in the Notice of Exercise;
- (d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent required); and
- (e) 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.

If the Company is unable to deliver a notice under clause 14(d) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Shares issued on exercise of the Performance Rights may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

- 15. **(Ranking)** All Shares issued upon the conversion of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- 16. **(Quotation)** Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will apply for quotation in accordance with clause 14(e).
- 17. **(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.
- 18. **(Amendments required by ASX)** The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

SCHEDULE 4 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS

The terms and conditions of the Director Options (each an **Option**) are as follows:

1. (**Entitlement**): Each Option entitles the holder to subscribe for one Share upon exercise of the Option (once vested).
2. (**Vesting Conditions**): The Options will have the vesting conditions specified below (**Vesting Conditions**):

Class	Vesting Condition	% of Options
A	Continuous employment or consultancy with the Company (or any of its subsidiary entities) at all times until 30 June 2023	33.33%
B	Continuous employment or consultancy with the Company (or any of its subsidiary entities) at all times until 30 June 2024	33.33%
C	Continuous employment or consultancy with the Company (or any of its subsidiary entities) at all times until 30 June 2025	33.33%

In the event that the holder's employment or consultancy with the Company (or any of its subsidiary entities) ends before any Vesting Condition is satisfied, the vesting of the Options is to be adjusted on a pro-rata basis determined with reference to the termination date.

By way of example only, if:

- o the grant date was 1 October 2022; and
- o the holder ceased employment or other consultancy with the Company (or any of its subsidiary entities) on 30 September 2023,

then:

- o all of the Class A Options will have vested on 30 June 2023;
- o 25.00% of the Class B Options would vest with effect from the termination date; and
- o none of the Class C Options would vest.

3. (**Issue Price**): No cash consideration is payable for the issue of the Options.
4. (**Exercise Price**): The Options have an exercise price of nil per Option (**Exercise Price**).
5. (**Expiry Date**): The Options expire at 5.00 pm (AWST) on the date that is two years after the relevant vesting date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. If this falls during a "Blackout Period" as defined in the Company's securities trading policy, the Expiry

Date will be 5pm (AWST) on the date 10 Business Days after the last day of that Blackout Period.

- 6.□ **(Exercise Period)**: The Options are exercisable at any time after it has vested and prior to the Expiry Date.
- 7.□ **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
- 8.□ **(Transferability of the Options)**: The Options are not transferable.
- 9.□ **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**)

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise (**Exercise Date**).

- 10.□ **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date the Company will:
 - (a)□ allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b)□ if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; 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 Options.
- 11.□ **(Restrictions on transfer of Shares)**: If the Company is required but unable to give ASX a notice under paragraph 10(b), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
- 12.□ **(Shares issued on exercise)**: Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
- 13.□ **(Quotation of Shares on exercise)**: If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
- 14.□ **(Reconstruction of capital)**: If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- 15.□ **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues

of capital offered to Shareholders during the currency of the Options without exercising the Options.

- 16.□ **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment, the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue.
- 17.□ **(Cessation of employment):** Where the holder (or the person who is entitled to be registered as the holder) of the Options is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unexercised Options will automatically lapse and be forfeited on the date that is 3 months from the cessation of that engagement, unless the Board otherwise determines in its sole discretion.

SCHEDULE 5 - VALUATION OF MD PERFORMANCE RIGHTS


The Class B LTIP MD Performance Rights to be issued to John de Vries (or their respective nominees) pursuant to Resolution 10 have been valued using Hoadley Option Valuation Model on the following assumptions:


Spot Price	\$0.1450
Exercise Price	Nil
Share Price Target 1	\$0.3194
Share Price target 2	\$0.4147
Time to vesting / expiry	2.25 years
Volatility	85%
Interest Rate	3.403%
Dividend Yield	Nil
Value of each Class B LTIP MD Performance Right	\$0.0975

Notes:

1. The Spot Price is \$0.145 (or 14.5 cents), representing the closing Share price on the grant date, 3 October 2022.
2. The Share Price Target 1 is \$0.3194 being a 3-year TSR of 10% per annum or 33.1% increase from benchmark price of \$0.24 being the share price on 1 January 2022.
3. The Share Price Target 2 is \$0.4147 being a 3-year TSR of 20% per annum or 72.8% increase from benchmark price of \$0.24 being the share price on 1 January 2022.
4. Volatility is estimated based on Hoadley's GARCH long-run forecast and Exponentially Weighted Moving Average volatility models using share price data over the relevant historical period)
5. The Interest Rate is a continuously compounded rate based on the interpolated discrete two-year and three-year discrete Australian Government bond yields as at 3 October 2022.

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Saturday, 26 November 2022.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 also 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. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 181557

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Black Rock Mining Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and 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 Black Rock Mining Limited to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, WA 6005 on Monday, 28 November 2022 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4, 8, 10, 11 and 12 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4, 8, 10, 11 and 12 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4, 8, 10, 11 and 12 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain		For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Richard Crookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Issue of Performance Rights - John De Vries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Employee Securities Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of Issue of Options - Richard Crookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of potential termination benefits under Employee Securities Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval of Issue of Options - Ian Murray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior Issue of Placement Shares - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Ratification of prior Issue of Placement Shares - Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Ratification of prior Issue of Options - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Increase Aggregate Fee Pool for Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

