



REDSTONE RESOURCES LIMITED
ABN: 42 090 169 154

NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY MEMORANDUM

For the Annual General Meeting of the Shareholders
of
Redstone Resources Limited
to be held on
Monday, 28 November 2022 at 1.45pm (WST) at
Country Women's Association WA (Inc) House
1176 Hay Street
Perth, Western Australia

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

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NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Redstone Resources Limited will be held at Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth Western Australia, at 1.45pm WST on Monday, 28 November 2022.

The attached Explanatory Memorandum is provided to supply Shareholders with information to enable them to make an informed decision regarding the Resolutions set out in this Notice. The business of the Annual General Meeting affects your shareholding in the Company and your vote is important.

The Explanatory Memorandum is intended to be read in conjunction with, and forms part of, this Notice. Terms and abbreviations used in this Notice are defined in the Glossary contained in the Explanatory Memorandum.

In accordance with the *Corporations Amendment (Meetings & Documents) Act 2022* (Cth) the Company will not be dispatching physical copies of the Notice. Instead, the Notice is being made available to Shareholders electronically and can be viewed and/or downloaded online on the ASX Company Announcements Platform <https://www2.asx.com.au/markets/trade-our-cash-market/announcements> and enter RDS at the prompt or on the Company's website at <http://www.redstone.com.au/investors/asx-announcements>.

AGENDA

Financial, Directors' and Auditor's Report

To receive and consider the 2022 Annual Report and the reports of the Directors and the auditor to the Company thereon.

Resolution 1 – Re-election of Mr Richard Homsany

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

"That Mr Richard Homsany, being a Director who retires in accordance with the Constitution, ASX Listing Rule 14.4 and for all other purposes, and, being willing and eligible for re-election, is hereby re-elected as a Director."

Resolution 2 – Re-election of Mr Brett Hodgins

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

"That Mr Brett Hodgins, being a Director who retires in accordance with the Constitution, ASX Listing Rule 14.4 and for all other purposes, and, being willing and eligible for re-election, is hereby re-elected as a Director."

Resolution 3 – Adoption of the Remuneration Report (Non-Binding)

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

"That for the purpose 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 Report for the financial year ended 30 June 2022."

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

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Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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

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

Resolution 4 – Approval of the Issue of Annexure A Options to a Director, Mr Richard Homsany

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

"That under and for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 5,000,000 Annexure A Options to Mr Richard Homsany, a Director (and/or his nominee(s)) as set out, on the terms and conditions and in the manner described in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 10.11, the Company will disregard any votes cast in favour on this Resolution by or on behalf of Mr Richard Homsany (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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

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

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Resolution 5 – Approval of the Issue of Annexure A Options to a Director, Mr van Heemst

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

"That under and for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 3,000,000 Annexure A Options to Mr Edward van Heemst, a Director (and/or his nominee(s)) as set out, on the terms and conditions and in the manner described in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 10.11, the Company will disregard any votes cast in favour on this Resolution by or on behalf of Mr Edward van Heemst (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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

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

Resolution 6 – Approval of the Issue of Annexure A Options to a Director, Mr Brett Hodgins

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

"That under and for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 3,000,000 Annexure A Options to Mr Brett Hodgins, a Director (and/or his nominee(s)) as set out, on the terms and conditions and in the manner described in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 10.11, the Company will disregard any votes cast in favour on this Resolution by or on behalf of Mr Brett Hodgins (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as 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

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- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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

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

Resolution 7 – Approval of the Issue of Annexure A Options to Key Consultants and/or Employees

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

"That under and for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 6,000,000 Annexure A Options to key consultants and/or employees as set out, on the terms and conditions and in the manner described in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.1, the Company will disregard any votes cast in favour on this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 8 – Approval of Issue of Shares – Equity Capital Raising

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

"That under and for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment by the Company of up to 250,000,000 Shares, on the terms and conditions and in the manner set out in the Explanatory Memorandum."

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For the purposes of ASX Listing Rule 7.1, the Company will disregard any votes cast in favour on this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 9 – Approval of 10% Placement Capacity

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

"That, under and for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling up to 10% of the Shares on issue (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour on this Resolution, if at the time the approval is sought the Company is proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A.2, by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 10 – Approval of Securities Incentive Plan (2022)

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

"That, under and for the purpose of ASX Listing Rule 7.2 (Exception 13) as an exception to ASX Listing Rule 7.1 and for all other purposes, approval is given to adopt the Company's Securities Incentive Plan (2022) and to issue securities under that plan, and to issue Shares pursuant to those securities, from time to time upon the terms and conditions summarised in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour on this Resolution by a person who is eligible to participate in the employee incentive scheme or an associate of such a person.

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

- (a) a person as 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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

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

Resolution 11 – Re-Insertion of Proportional Takeover Provisions

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

"That the proportional takeover provisions in Rule 6 of the Constitution of the Company be re-inserted for a period of three (3) years from the date of this Meeting."

Other Business

To deal with any other business that may be lawfully brought forward.

BY ORDER OF THE BOARD OF DIRECTORS



Miranda Conti
COMPANY SECRETARY
REDSTONE RESOURCES LIMITED
Dated this 28th day of October 2022

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Attendance and Voting Eligibility

The Company has determined, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the Shares quoted on the ASX at 4pm (WST) on Saturday, 26 November 2022 shall be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

Voting

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting by Shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions provided below.

Voting in Person

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

Voting by Proxy

A Shareholder who is entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through) its representative will not be permitted to act as proxy.

A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

A Proxy Form accompanies this Notice and to be effective the Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company no later than 48 hours before the commencement of the Meeting by:

- online vote at www.advancedshare.com.au/investor-login; or
- email to admin@advancedshare.com.au; or
- in person to Advanced Share Registry Limited, 110 Stirling Hwy, Nedlands WA 6009; or
- post to Advanced Share Registry Limited, PO Box 1156, Nedlands, WA 6909; or 110 Stirling Hwy, Nedlands WA 6009; or
- facsimile to Advanced Share Registry Limited on facsimile number (08) 6370 4203 (International: + (61 8) 6370 4203); or

Proxies must be received by the Company no later than 48 hours prior to the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the Meeting.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

The **enclosed** Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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Undirected and Directed Proxies

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each Resolution.

The Company will not disregard any votes cast on a Resolution by a person if the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy.

If you intend to appoint the Chair as your proxy, you can direct him how to vote by marking the boxes for each Resolution (for example, if you wish to vote "For", "Against" or "Abstain"). If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions, by signing and returning the Proxy Form you are considered to have provided the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected, directly or indirectly, with the remuneration of a member of the Key Management Personnel of the Company.

If you intend to appoint a Director (other than the Chair) or another member of the Key Management Personnel, or their Closely Related Parties as your proxy, you must specify how they should vote on Resolutions 3, 4, 5, 6 and 10 by marking the appropriate box. If you don't, your proxy will not be able to exercise your vote for Resolutions 3, 4, 5, 6 and 10. If the Chair is your proxy (or if they are appointed by default) but you do not direct them how to vote on a Resolution (that is, you do not mark any of the boxes "For", "Against" or "Abstain" opposite that Resolution), the Chair may then vote as they see fit on that Resolution.

If you mark more than one box on an item your vote will be invalid on that item.

In accordance with the Corporations Act, any directed proxies that are not voted on a poll at the meeting will automatically default to the Chair, who is required to vote proxies as directed.

It is the Chair's intention to vote all undirected proxies in favour of all Resolutions including Resolutions 3, 4, 5, 6 and 10.

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EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

General Information

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the Annual General Meeting to be held on Monday, 28 November 2022.

The purpose of the Explanatory Memorandum is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the above resolutions in the Notice (of which this Explanatory Memorandum forms a part).

AGENDA

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

The Corporations Act requires:

- the reports of the Directors and auditors; and
- the 2022 Annual Report,

to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, Shareholders at the Meeting will be given reasonable opportunity to raise questions or comments.

Reasonable opportunity will also be given to Shareholders at the Meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the 2022 Annual Report to Shareholders unless specifically requested to do so. The 2022 Annual Report is available on the Company's website at www.redstone.com.au.

2. Resolutions 1 & 2 – Re-election of Messrs Richard Homsany and Brett Hodgins

Rule 8.1 (d) of the Constitution requires that at every annual general meeting of the Company, one third of Directors (after excluding a Director who is the Managing Director or any Director appointed by the Board since the date of the last annual general meeting of the Company), or if this number of Directors is 5 or less, then 2 of the remaining Directors, must retire from office and if eligible seek re-election in accordance with Rule 8.1 (j) of the Constitution.

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

Accordingly, Messrs Homsany and Hodgins retire by rotation and, being willing and eligible, offer themselves for re-election.

The experience and qualifications of, and other information about, Messrs Homsany and Hodgins can be found in the 2022 Annual Report.

Directors' Recommendation

The Directors (excluding Mr Homsany) recommend that Shareholders vote in favour of Resolution 1.

The Directors (excluding Mr Hodgins) recommend that Shareholders vote in favour of Resolution 2.

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3. Resolution 3 – Adoption of the Remuneration Report (Non-Binding)

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 Board or 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 2022 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting consequences

While the vote does not bind the Company or the Directors, there are important consequences if there is a material 'against' vote on Resolution 3. Changes to the Corporations Act that came into effect on 1 July 2011 introduced what is referred to as the 'two strikes' rule, whereby if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, a company will be required to put to its shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the company (the **Spill Resolution**) at the second annual general meeting.

If at least 25% of the votes cast on Resolution 3 at the Annual General Meeting are voted against adoption of the Remuneration Report, this will constitute a 'first strike', and if at least 25% of the votes are cast against the 2023 Remuneration Report resolution at the Company's 2023 annual general meeting, constituting a 'second strike', then the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider a Spill Resolution.

The Board considers that the Company's remuneration arrangements as set out in the Remuneration Report are fair, reasonable and appropriate, in line with industry standards and structured in a way that the Company can attract and retain suitably qualified and experienced employees to manage the Company.

Directors' Recommendation

The Directors unanimously recommend the Shareholders vote in favour of Resolution 3.

4. Resolutions 4 to 6 (inclusive) - Approval of the Issue of Annexure A Options to Directors

4.1. Background

Resolutions 4 to 6 (inclusive) seek the approval of Shareholders for the issue of up to 11,000,000 Annexure A Options to Directors and/or their nominee(s) for the purposes ASX Listing Rule 10.11 as follows:

Resolution	Director	# of Annexure A Options (*)
Resolution 4	Richard Homsany	5,000,000
Resolution 5	Edward van Heemst	3,000,000
Resolution 6	Brett Hodgins	3,000,000
Total		11,000,000

(*) Expiry date on or before 5.00pm WST on 23 November 2027 and an exercise price that is at least 145% of the volume weighted average price for Shares traded on the ASX over the five (5) Trading Days immediately preceding the day of the Annual General Meeting.

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4.2. Options to Directors (Resolutions 4 to 6 inclusive)

ASX Listing Rule 10.11 provides that, subject to certain exceptions (none of which are relevant here), a company must not issue or grant securities to a related party without shareholder approval.

The object of Resolutions 4 to 6 inclusive is to provide the Directors with a mechanism to participate in the future development of the Company and an incentive for their future involvement with and commitment to the Company. The Directors believe that the success of the Company in the future will depend in part, largely, upon the skills of the people engaged to manage the Company's operations. Accordingly, it is important that the Company is able to attract and retain people of the highest calibre. The Directors consider that the most appropriate means of achieving this is to provide directors with an opportunity to participate in the Company's future growth and an incentive to contribute to that growth.

The Directors believe that the grant of the Annexure A Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties.

4.3. Terms of Annexure A Options

Subject to Shareholder approval, the Annexure A Options will be granted on the terms and conditions set out in Annexure A to this Explanatory Memorandum.

The Annexure A Options will have an expiry date on or before 5.00pm WST on 23 November 2027 and an exercise price that is at least 145% of the volume weighted average price for Shares traded on the ASX over the five (5) Trading Days immediately preceding the day of the Annual General Meeting

4.4. Part 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. The issue of the Annexure A Options to Messrs Homsany, van Heemst and Hodgins under Resolutions 4, 5 and 6 respectively, constitutes the provision of a financial benefit to related parties.

It is the view of the Directors that the proposed grant of Annexure A Options pursuant to Resolutions 4 to 6 inclusive, falls within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the positions held by Messrs Homsany, van Heemst and Hodgins. Accordingly, the Directors have determined not to seek Shareholder approval under section 208 of the Corporations Act for the grant of the Annexure A Options to Messrs Homsany, van Heemst and Hodgins pursuant to Resolutions 4, 5 and 6 respectively.

The Board's view concluded that the totality of Messrs Homsany, van Heemst and Hodgins remuneration packages, including the equity component of up to 11,000,000 Annexure A Options now to be considered for approval by Shareholders, is fair and reasonable in the circumstances of Redstone given its size and stage of development, market practice of other companies in the mineral exploration industry and given the necessity to attract and retain the highest calibre of skilled professionals to the Company whilst maintaining the Company's cash reserves, and in light of Messrs Homsany, van Heemst and Hodgins' management experience and knowledge of the mineral exploration industry.

4.5. ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) a related party (ASX Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company (ASX Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (ASX Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (ASX Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

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The proposed issues of Annexure A Options, the subject of Resolutions 4 to 6 (inclusive), to Messrs Homsany, van Heemst and Hodgins fall within Listing Rule 10.11.1 as they are to related parties of the Company, in their capacity as Directors. As the proposed issue does not fall within any of the exceptions in Listing Rule 10.12 it therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

The Company reviews director remuneration annually, based on market practice, duties and accountability and to ensure their remuneration is competitive in attracting, retaining and motivating people with the appropriate skills and experience. The purpose of issuing options to directors as part of a remuneration package also provides directors with an opportunity to participate in the company's future growth and give them an incentive to contribute to that growth, thereby aligning directors' interests with shareholder interests. The proposed issue of the Annexure A Options, the subject of Resolutions 4 to 6 (inclusive) has the benefit of conserving cash whilst properly remunerating and rewarding the Directors.

Accordingly, Resolutions 4, 5 and 6 seek the required Shareholder approval to the issue of Annexure A Options, the subject of Resolutions 4, 5 and 6, to Messrs Homsany, van Heemst and Hodgins under and for the purposes of Listing Rule 10.11.

If Shareholders do not approve Resolutions 4, 5 and 6, the Company will not be able to issue the Annexure A Options, the subject of Resolutions 4, 5 and 6, to Messrs Homsany, van Heemst and Hodgins.

If Shareholder approval is obtained for Resolutions 4, 5 and 6, the Annexure A Options, the subject of Resolutions 4, 5 and 6, to Messrs Homsany, van Heemst and Hodgins will be issued by the Company within one month of Shareholder approval.

Information required for the purposes of ASX Listing Rule 10.13 in relation to the Shareholder approval sought under ASX Listing Rule 10.11 pursuant to Resolutions 4 to 6 inclusive is set out below:

(a) *Name of the persons*

Resolution 4 – to be issued to Mr Homsany (and/or his nominee(s)).
Resolution 5 – to be issued to Mr van Heemst (and/or his nominee(s)).
Resolution 6 – to be issued to Mr Hodgins (and/or his nominee(s)).

(b) *Which category in Listing Rules 10.11.1 – 10.11.5 the person falls within and why*

Each of Messrs Homsany, van Heemst and Hodgins is a Director and is therefore a related party of the Company for the purposes of ASX Listing Rule 10.11.1.

(c) *The number and class of securities to be issued to the person*

Mr Homsany (Resolution 4) – up to 5,000,000 Annexure A Options
Mr van Heemst (Resolution 5) – up to 3,000,000 Annexure A Options
Mr Hodgins (Resolution 6) – up to 3,000,000 Annexure A Options

(d) *If the securities are not fully paid ordinary securities, a summary of the material terms of the securities*

The terms and conditions of the Annexure A Options are set out in Annexure A.

(e) *The date by which the entity will issue the securities, which must not be more than one month after the date of the meeting*

The Annexure A Options will be issued within one month of the date of the Meeting.

(f) *The price or other consideration the entity will receive for the issue*

No consideration is payable by Messrs Homsany, van Heemst or Hodgins on grant of the Annexure A Options.

(g) *The purpose of the issue, including the intended use of funds raised*

As the Annexure A Options are being issued for no consideration, no funds will be raised by their issue. Any funds received by the Company upon exercise of the Annexure A Options will be used for general exploration and development work on Redstone projects and for working capital purposes.

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4.6. ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of equity securities if the equity securities will, when aggregated with the equity securities issued by a company during the previous 12 months, exceed 15% of the number of ordinary shares on issue at the commencement of that 12 month period.

Approval pursuant to ASX Listing Rule 7.1 is not required (under Exception 14 to ASX Listing Rule 7.1) in order to issue the Annexure A Options to Messrs Homsany, van Heemst and Hodgins and/or their nominee(s) as approval is being obtained under ASX Listing Rule 10.11.

Shareholders should note that the issue of securities to Messrs Homsany, van Heemst and Hodgins and/or their nominee(s) will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Other Information

All the Director's relevant interests (direct and indirect) in Securities as at the date of this Notice of Meeting, and annual remuneration, are set out below:

Name	Shares	Unquoted Options ⁽¹⁾	Unquoted Options ⁽²⁾	Annual Salary (including Superannuation)	Estimated Value of Director Options to be issued ⁽³⁾
Mr Homsany	63,814,778	5,000,000	10,000,000	\$66,000	\$28,477
Mr van Heemst	80,583,334	2,500,000	6,000,000	\$18,000	\$17,086
Mr Hodgins	7,341,810	2,500,000	6,000,000	\$12,000	\$17,086

(1) Unquoted options exercisable at \$0.0204 on or before 20 November 2025

(2) Unquoted options exercisable at \$0.0188 on or before 23 January 2027

(3) Refer to Annexure B of this Explanatory Memorandum for the Black & Scholes option valuation of Annexure A Options and the assumptions used.

Directors' Recommendation

Mr Richard Homsany declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution. The Directors (other than Mr Homsany) recommend that, for the reasons set out above, Shareholders vote in favour of Resolution 4.

Mr Edward van Heemst declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution. The Directors (other than Mr van Heemst) recommend that, for the reasons set out above, Shareholders vote in favour of Resolution 5.

Mr Brett Hodgins declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution. The Directors (other than Mr Hodgins) recommend that, for the reasons set out above, Shareholders vote in favour of Resolution 6.

5. Resolution 7 – Approval of the Issue of Annexure A Options to Key Consultants and/or Employees

5.1. Background

The Board has decided to reward the efforts of key consultants and/or employees for services previously rendered to the Company over the past 12 months. The Company is seeking Shareholder approval for the issue of up to 3,000,000 Annexure A Options to Dr Greg Shirliff of Zephyr Professional Pty Ltd, a key technical geological consultant to the Company, and 3,000,000 Annexure A Options to Ms Miranda Conti, Company Secretary, a key employee of the Company.

The Annexure A Options will have an expiry date on or before 5.00pm WST on 23 November 2027 and an exercise price that is at least 145% of the volume weighted average price for Shares traded on the ASX over the five (5) Trading Days immediately preceding the day of the Annual General Meeting.

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5.2. ASX Listing Rule 7.3

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.

The issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company does not fit within any of these exceptions. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

To this end, Resolution 7 seeks Shareholder approval to the issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company under and for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company can proceed without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 7 is not passed, the issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue of up to 6,000,000 Annexure A Options to key consultants and/or employees of the Company.

The following information is provided for the purpose of ASX Listing Rule 7.3.

- (a) *The name of the persons to whom Redstone will issue the securities or the basis on which those persons were identified or selected*

Key consultants and/or employees (and/or their nominee(s)), none of whom are related parties or substantial shareholders of the Company:

- Dr Greg Shirtliff (or his nominee), Geological Consultant – up to 3,000,000 Annexure A Options
- Ms Miranda Conti (or her nominee), Company Secretary – up to 3,000,000 Annexure A Options

- (b) *Number and class of securities the entity will issue*

Up to 6,000,000 Annexure A Options.

- (c) *If the securities are not fully paid ordinary securities, a summary of the material terms of the securities*

The Annexure A Options will have an expiry date on or before 5.00pm WST on 23 November 2027 and an exercise price that is at least 145% of the volume weighted average price for Shares traded on the ASX over the five (5) Trading Days immediately preceding the day of the Annual General Meeting.

The terms and conditions of the Annexure A Options are set out in Annexure A.

- (d) *The date or dates on or by which the entity will issue the securities*

The Annexure A Options will be issued within three months of the date of the Meeting (or such later date as may be approved by ASX (including such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).

- (e) *The price or other consideration the entity will receive for the issue*

Nil. The Annexure A Options will be issued as an incentive for technical, management and corporate administration services provided to the Company.

- (f) *The purpose of the issue, including the intended use of any funds raised by the issue*

As the Annexure A Options are being issued for no consideration, no funds will be raised by their

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issue. Any funds received by the Company upon exercise of the Annexure A Options will be used for general exploration and development work on Redstone projects and for working capital purposes.

Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7, as it approves the above issue of up to 6,000,000 Annexure A Options to key consultants and/or employees and retains the Company's flexibility to issue further securities representing up to 15% of the Company's Share capital during the next 12 months.

6. Resolution 8 – Approval of the Issue of Shares – Equity Capital Raising

6.1. Background

Resolution 8 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue and allotment of up to 250,000,000 Shares to sophisticated and/or professional investors under any proposed private placement (**Proposed Private Placement**).

The net funds raised by any proposed issue of the Shares will contribute to cash reserves to enable Redstone to undertake further reverse circulation (RC) and/or aircore drilling at its 100% owned West Musgrave Project to evaluate oxide copper resource, to re-evaluate the Tollu resource and to continue testing identified targets (structural geophysical and geochemical) and to further evaluate and develop the HanTails Gold Project, including, where warranted, for metallurgical testing of recoveries of metal and to undertake RC drilling to evaluate structures beneath the tailings dam and for working capital purposes.

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.

The Proposed Private Placement does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 8 seeks the required Shareholder approval to the Proposed Private Placement under and for the purposes of Listing Rule 7.1.

If Resolution 8 is passed, Redstone will be able to proceed with the Proposed Private Placement to sophisticated and/or professional investors and raise funds for the purposes set out above. In addition, the Proposed Private Placement will be excluded from the calculation of the number of equity securities that Redstone can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, and Redstone has the requisite capacity under Listing Rule 7.1 and 7.1A, the issue of up to 250,000,000 Shares under the Proposed Private Placement will reduce to that extent the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue of up to 250,000,000 Shares under the Proposed Private Placement.

ASX Listing Rule 7.3 Disclosure Requirements

The following information is provided for Resolution 8 in accordance with ASX Listing Rule 7.3:

- (a) *The name of the persons to whom Redstone will issue the securities or the basis on which those persons were or will be identified or selected*

The identity of the persons to whom the Shares will be issued and allotted is not yet known, however they will be sophisticated and/or professional investors identified by the Directors and/or clients of any nominated Lead Manager to any Proposed Private Placement, who are not related parties of the Company or their associates. Investors will be identified from either or both of the network of professional and sophisticated investors known to the Company or from applications received from investors selected from the client base of any lead manager engaged at market rates to undertake the Proposed Private Placement on behalf of the Company.

- (b) *Number and class of securities issued*

A maximum of 250,000,000 Shares will be issued.

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The Shares issued will rank equally in all respects with all other ordinary shares in the capital of the Company.

(c) The date or dates on or by which the entity will issue the securities.

The Shares will be issued by no later than 3 months after the date of this Meeting (or such later date as may be approved by ASX (including such later date as permitted by any ASX waiver or modification of the ASX Listing Rules)).

Allotment of the Placement Shares may occur progressively.

(d) The price or other consideration the entity will receive for the securities

The issue price of the Shares will be no less than 80% of the volume weighted average price of Shares on the ASX for the 5 Trading Days immediately before the date of issue of the Shares.

(e) The purpose of the issue, including the intended use of any funds raised by the issue

The net funds raised by any proposed issue of the Shares will contribute to cash reserves to enable Redstone, to undertake further reverse circulation (RC) and/or aircore drilling at its 100% owned West Musgrave Project to evaluate oxide copper resource, to re-evaluate the Tollu resource and to continue testing identified targets (structural geophysical and geochemical) and to further evaluate and develop the HanTails Gold Project, including, where warranted, for metallurgical testing of recoveries of metal and to undertake RC drilling to evaluate structures beneath the tailings dam and for working capital purposes.

Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 8 as it allows the Company greater flexibility to issue further securities representing up to 15% of the total number of Shares on issue in any 12 month period pursuant to Listing Rule 7.1 without Shareholder approval.

7. Resolution 9 - Approval of 10% Placement Capacity

7.1. Background

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a 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.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the entity's annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity for the purposes of ASX Listing Rule 7.1A. As at the date of this Notice the market capitalisation of the Company is \$5,157,827.

Any equity securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of equity securities. At the date of this Notice, the Company has one class of quoted equity securities, being its Shares.

Resolution 9 seeks Shareholder approval by way of a special resolution for Redstone to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If Shareholders approve Resolution 9, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in the Summary of ASX Listing Rule 7.1A (b) below).

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 during the period of 12 months after the Meeting without any further shareholder approval.

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If Resolution 9 is not passed, the Company will not be able to access the additional 10% Placement Capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issued Equity Securities without shareholder approval set out in Listing Rule 7.1.

Resolution 9 is a special resolution. Accordingly, 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

7.2. Information required by ASX Listing Rule 7.3A

Under ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9:

(a) Minimum Price at which Equity Securities may be issued

The minimum price at which the Equity Securities may be issued is 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; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

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

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice assuming the full 10% dilution.

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

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.004 (50% decrease in issue price)	\$0.008 (Issue price)	\$0.012 (50% increase in issue price)
736,832,936 (As at date of Notice)	Shares issued	73,683,240	73,683,240	73,683,240
	Funds Raised	\$294,733	\$589,466	\$884,199
1,105,248,594 (50% increase)*	Shares issued	110,524,859	110,524,859	110,524,859
	Funds Raised	\$442,099	\$884,199	\$1,326,298
1,473,664,792 (100% increase)*	Shares issued	147,366,479	147,366,479	147,366,479
	Funds Raised	\$589,466	\$1,178,932	\$1,768,398

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*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 ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. The current Shares on issue are as at the date of the Notice.
2. The issue price set out above is the closing price of the Shares on 21 October 2022 of \$0.008.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity hence the voting dilution is shown in each example as 10%.
4. 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, and if necessary, seek advice from their professional advisers.
5. No Options are exercised into Shares before the date of issue of the Equity Securities.
6. The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, and not dilution under the 15% placement capacity under ASX Listing Rule 7.1, under ASX Listing Rule 7.2, or Shareholder approvals under ASX Listing Rule 7.1.
7. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

Shareholders should note that there is a risk that:

- (i) the market price for the Equity Securities to be issued may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue.

(c) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) The date that is 12 months after the date of this Meeting;
- (ii) The time and date of the Company's next annual general meeting; and
- (iii) the date of approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Capacity Period).

(d) Purpose of Funds Raised under an Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration, in which case the Company intends to use funds to continue to evaluate its 100% owned West Musgrave Project, to further evaluate and develop the HanTails Gold Project Farmin and Joint Venture and for working capital purposes.

(e) Allocation policy for issues under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities will be current Shareholders or new investors (or both), but in either case will not be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;

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- (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 ASX Listing Rule 7.1A

The Company has previously obtained approval from Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meetings held on 28 January 2022 (**2021 Previous Approval**), 27 November 2020, 29 November 2019, 29 November 2018, 28 November 2017, 29 November 2016, 27 November 2015, 28 November 2014, 29 November 2013 and 29 November 2012.

During the period preceding the date of the Meeting, being on and from 28 January 2022, the Company has not issued or agreed to issue any Equity Securities pursuant to the 2021 Previous Approval.

(g) Voting Exclusion Statement

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not invited any existing Shareholder or security holder or an identifiable class of security holder to participate in any such issue. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

7.3. Compliance with ASX Listing Rules 7.1A.4 and 3.105A

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

- (i) a list of recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 9 as the approval of the issue of the 10% Placement Capacity described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of the Notice, the Company has no plans to use the 10% Placement Capacity should it be approved.

8. Resolution 10 - Approval of Securities Incentive Plan (2022)

8.1. Background

Resolution 10 seeks Shareholder approval for the new Redstone Resources Limited Securities Incentive Plan (2022) (Incentive Plan). A summary of the key terms and conditions of the Incentive Plan is set out in Annexure C to this Notice.

Listing Rule 7.1 places certain restrictions on the extent to which a listed company may issue certain equity securities, including options. The effect is that shareholder approval is required before the company may issue equity securities representing more than 15% of the capital of the company within a 12-month period. However, certain issues are exempt from the restrictions of Listing Rule 7.1 and are effectively disregarded for the purposes of determining the number of securities which a company may issue within a 12-month period. Exempt issues include an issue of securities to persons participating in an employee incentive scheme where shareholders have approved the issue of securities under the scheme as an exemption from Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of

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issue when the notice of meeting contains or is accompanied by certain prescribed information (set out below) (Exception 13 of Listing Rule 7.2).

In order to take advantage of the exemption from Listing Rule 7.1 and allow the Company flexibility to issue securities, Shareholders are requested to approve the issue of securities under the Incentive Plan (**Plan Securities**) as an exemption from Listing Rule 7.1. This approval will be effective for a period of three (3) years from the date of the Resolution. It should be noted that Resolution 10 does not approve the issue of any Plan Securities to any Director, employee or consultant of the Company. Plan Securities cannot be granted to Directors or any of their associates unless prior approval of Shareholders is obtained in accordance with the Listing Rules.

Other Information

The Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022 (**the ESS Act**), which received royal assent on 31 March 2022, introduces a new Division 1A into Part 7.12 of the Corporations Act 2001 (Cth). The ESS Act, which takes effect from 1 October 2022, will significantly decrease red tape for companies and registered incentive plans/schemes looking to attract, retain or reward employees through offers to participate in an employee share scheme (ESS). Specifically, the ESS Act makes it easier for companies and registered incentive plans/schemes to access 'regulatory relief' from the Corporations Act's securities disclosure, licensing, advertising, anti-hawking and on-sale regulatory requirements which would otherwise apply when making offers of interests under an ESS.

To avoid the application of the Corporations Act (Disclosure Requirements) entities have relied largely on the regulatory relief provided by the ASIC Class Orders regime, namely [CO 14/1000] Employee incentive schemes: Listed bodies and ASIC Class Order [CO 14/1001] Employee incentive schemes: Unlisted bodies (**Class Orders**).

The ESS Act will replace the Class Orders and will provide very similar regulatory relief as the Class Orders.

In addition to the Class Orders, there are also two specific exemptions from the Disclosure Requirements set out in the Corporations Act. These exemptions apply to offers made to 'senior managers' and small-scale offerings (<20 acceptances and <AU\$2 million raised in any one year). These exemptions (which by themselves offer relief in very limited circumstances) will remain in force and will exist alongside the new ESS Act.

It should also be noted that the definition of eligible participants, who can receive offers under an incentive plan/scheme, has been substantially broadened to include all classes of employees, directors, spouse and associates, consultants, contractors etc.

The new Redstone Resources Limited Securities Incentive Plan (2022) reflects the incorporation of the ESS Act.

The main purpose of the Incentive Plan is to additionally reward the Directors, employees and consultants of the Company so that they continue to provide dedicated and ongoing commitment and effort to the Company. The Incentive Plan is designed to increase the motivation of personnel and create a stronger link between increasing Shareholder value and personnel reward.

If convertible securities issued under the Incentive Plan are exercised, it will have the effect of increasing the Company's cash position by the amount of the exercise price multiplied by the number of Incentive Plan convertible securities exercised. It will also increase the number of Shares that are on issue by the number of Incentive Plan convertible securities exercised.

Shares issued pursuant to the exercise of Incentive Plan convertible Securities will rank *pari passu* in all respects with the Company's existing Shares.

The Board believes that the Incentive Plan will:

- enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;
- link the rewards of key personnel with the achievements of strategic goals and the performance of the Company;
- align the financial interest of participants in the Incentive Plan with those of shareholders of

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- the Company; and
- provide reward to participants in the Incentive Plan to focus on superior performance that creates shareholder value.

The purpose of Resolution 10 is to consider and approve the adoption of the Incentive Plan in accordance with ASX Listing Rule 7.2, exception 13(b). If Resolution 10 is passed and the Incentive Plan is approved by shareholders, any securities issued to eligible participants under the Incentive Plan in the course of the next three years will be excluded from the Company's 15% limit for the purpose of ASX Listing Rule 7.1 (subject to the maximum number of securities to be issued under the Incentive Plan as set out below).

If shareholder approval is not obtained and Resolution 10 is not passed, the Company will be able to proceed with issues of securities under the Incentive Plan (again, subject to the maximum number of securities to be issued under the Incentive Plan set out below) to eligible participants, but any issue of securities will be counted as part of the Company's 15% annual placement capacity, as detailed in ASX Listing Rule 7.1, and will reduce to that extent, the Company's capacity to issue securities without shareholder approval under ASX Listing Rule 7.1 for the 12-month period following the issue of the securities.

8.2. ASX Listing Rule 7.2 (Exception 13) Disclosure Requirements

In accordance with Listing Rule 7.2 (Exception 13(b)), the following information is disclosed to Shareholders for the purposes of Resolution 10:

- (a) A summary of the terms and conditions of the Incentive Plan are set out in Annexure C to this Notice of Meeting.
- (b) A voting exclusion statement is included in the Notice.
- (c) As at the date of this notice, no offers or issues of securities have been made and accepted under the previous Redstone Resources Limited Employee Share Option Plan since the date of last approval (28 January 2022).
- (d) No Equity Securities will have been issued under the Incentive Plan as at the date of the Meeting.
- (e) The maximum number of Equity Securities proposed to be issued under the Plan as at the date of this Notice is 50,000,000. The Board will make determinations from time to time during the currency of the Incentive Plan as to whether Plan Securities should be issued up to this maximum number under it at their discretion and subject to any approvals that may be required under the ASX Listing Rules.

Directors' Recommendation

As the Directors may have a personal interest in Resolution 10, the Directors make no recommendation as to how Shareholders should vote on this resolution.

Resolution 11 – Re-Insertion of Proportional Takeover Provisions

Previously, the Constitution of the Company contained proportional takeover approval provisions requiring Shareholders to approve any takeover offer for only a proportion of each Shareholder's Shares (Rule 6). These provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company.

In accordance with the Corporations Act and the Constitution, the proportional takeover approval provisions expire three years from their adoption, or if renewed, from the date of renewal.

The Company has not renewed its proportional takeover provisions since shareholder approval at the 2017 annual general meeting of the Company held on 27 November 2017, and accordingly Rule 6 of the Constitution ceased to apply on 27 November 2020.

If re-inserted, the proportional takeover provisions will continue to apply on the same terms as the provisions which currently exist in the Constitution immediately prior to the date of the Meeting and will have effect for a period of three years, commencing on 29 November 2022.

The proportional takeover provisions are set out in full in Annexure D to this Notice.

Effect

If a proportional takeover bid is made, the Directors must:

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- convene a general meeting no less than 14 days before the end of the bid period; and
- allow Shareholders to vote on a resolution to approve the proportional takeover bid.

The bidder and its associates are not allowed to vote on the resolution.

If the resolution is rejected, binding acceptances are required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn.

If the bid is approved, the transfers resulting from the bid may be registered provided they comply with other provisions of the Corporations Act and the Constitution.

If no resolution is voted on by the above deadline, a resolution approving the bid is taken to have been passed.

The proportional takeover provisions do not apply to full takeover bids and will only apply until 29 November 2025, unless again renewed by Shareholders.

Reasons for re-inserting proportional takeover provisions

As a proportional takeover bid involves an offer for only a proportion of each Shareholder's Shares, a bidder may acquire control of the Company:

- without Shareholders having the chance to sell all their Shares, leaving them as part of a minority interest in the Company; and
- without payment of an adequate control premium.

The Board considers that the proportional takeover provisions should be re-inserted as they lessen the risk of a bidder obtaining control without adequately compensating existing Shareholders as they allow Shareholders to decide collectively whether a proportional takeover bid is acceptable and appropriately priced.

Advantages and disadvantages

Advantages

Re-insertion of the proportional takeover provisions provide Shareholders:

- the right to decide whether a proportional takeover bid should proceed;
- protection from being locked in as a minority Shareholder;
- increased bargaining power; and
- the view of majority of Shareholders which may assist individual Shareholders to decide whether to accept or reject an offer under proportional takeover bid.

Disadvantages

Re-insertion of the proportional takeover provisions may:

- discourage proportional takeover bids;
- reduce Shareholders' opportunities to sell Shares at a premium;
- restrict the ability of individual Shareholders to deal with their Shares as they see fit; and
- reduce the likelihood of a proportional takeover bid succeeding.

The Board considers that the potential advantages for Shareholders of the proportional takeover approval provisions outweigh the potential disadvantages.

Knowledge of acquisition proposals

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Directors' Recommendation

The Directors unanimously recommend the Shareholders vote in favour of Resolution 11.

Enquiries

Shareholders are invited to contact the Company Secretary, Miranda Conti on (08) 9328 2552 if they have any queries in respect of the matters set out in this Notice.

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GLOSSARY

In this Explanatory Memorandum and Notice of Annual General Meeting:

\$ means Australian dollars.

2022 Remuneration Report means that section of the Directors' report contained in the 2022 Annual Report, under the heading 'Remuneration Report', prepared in accordance with Section 300A of the Corporations Act.

2022 Annual Report means the annual report of the Company including the reports of the Directors and auditor and the financial statements of the Company for the financial year ended 30 June 2022, which can be downloaded from the Company's website at www.redstone.com.au.

Annexure means an annexure to this Explanatory Memorandum.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time except to the extent of any express written waiver by ASX.

Board means the board of Directors.

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

Chair means the chairperson of the Meeting.

Closely Related Party is defined in respect of a member of Key Management Personnel as:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations that may be made for this purpose.

Company or **Redstone** means Redstone Resources Limited (ABN 42 090 169 154).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under it, each as amended from time to time.

Director means a director of the Company.

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

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

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.

ESS Act means the Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022 (Cth).

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Explanatory Memorandum means the explanatory memorandum that accompanies and forms part of the Notice.

Incentive Plan or **Securities Incentive Plan** means the Redstone Resources Limited Securities Incentive Plan (2022) the subject of Resolution 10.

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

Key Management Personnel has the same meaning given in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means the notice of Annual General Meeting accompanying this Explanatory Memorandum.

Official Quotation means official quotation by the ASX in accordance with the Listing Rules.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

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

Shareholder means the holder of a Share.

Special Resolution has the meaning under the Corporations Act. A special resolution must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Trading Day means a day determined by ASX to be a trading day and notified to market participants being:

- (a) a day other than:
 - (i) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
 - (ii) any other day which ASX declares and publishes is not a trading day; and
- (b) notwithstanding (a), a day which for the purposes of settlement, ASX declares is a trading day notwithstanding that dealings between market participants are suspended on that day.

VWAP means volume weighted average price.

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

Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

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Annexure A – Terms and Conditions of Annexure A Options

Each Option entitles the holder to subscribe for Shares on the following terms and conditions:

1. Entitlement

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

2. Exercise Price

The exercise price of each Annexure A Option is that price which is at least 145% of the volume weighted average price for Shares traded on the ASX over the five (5) Trading Days immediately preceding the day of the Annual General Meeting.

3. Expiry Date

Each Annexure A Option has an expiry date of 5.00pm WST on 23 November 2027.

4. Exercise Period

Each Annexure A Option is exercisable at any time on the Expiry Date.

5. Notice of Exercise

Each Annexure A Option may be exercised by notice in writing to the Company. Any notice of exercise of Annexure A Options received by the Company will be deemed to be a notice of the exercise of the Annexure A Option as at the date of receipt.

6. Timing of issue of Shares

After an Annexure A Option is validly exercised, the Company must as soon as possible:

- (a) issue and allot the Share; and
- (b) do all such acts matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Annexure A Option.

7. Shares issued on exercise

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

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Annexure A Options.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Annexure A Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Annexure A Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least three business days after the issue is announced. This will give holders of Annexure A Options the opportunity to exercise their Annexure A Options prior to the date for determining entitlements to participate in any such issue.

10. 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):

- (a) the number of Shares which must be issued on the exercise of an Annexure A Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Annexure A Option before the record date for the bonus issue; and

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(b) no change will be made to the Exercise Price.

11. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of a Annexure A Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Annexure A Option.

E = the number of underlying Shares into which one Annexure A Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

12. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholders will be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Annexure A Options with the appropriate remittance should be lodged with the Company Secretary, at the Company's registered office.

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**Annexure B – Estimated Value of Annexure A Options proposed to be issued to Directors
(Resolutions 4 to 6 inclusive)**

Using the Black & Scholes option valuation model and based on the assumptions set out below, the Annexure A Options proposed to be issued pursuant to Resolutions 4 to 6 inclusive were ascribed the following values:

Assumptions:	R Homsany	E van Heemst	B Hodgins
Number of Director Options	6,000,000	3,000,000	3,000,000
Valuation date	23 October 2022	23 October 2022	23 October 2022
Market price of Shares	\$0.008	\$0.008	\$0.008
Exercise price (145% of market price)	\$0.0116	\$0.0116	\$0.0116
Expiry date (length of time from issue)	4.99 years	4.99 years	4.99 years
Risk free interest rate	3.89%	3.89%	3.89%
Volatility (discount)	100%	100%	100%
Indicative value per Option	\$0.006	\$0.006	\$0.006
Total Value of Related Party Options	\$28,477	\$17,086	\$17,086

Note: The valuation noted above is not necessarily the market price that the Annexure A Options could be traded at and is not automatically the market price for taxation purposes.

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Annexure C – Key Terms and Conditions of the Redstone Resources Limited Securities Incentive Plan

The Redstone Resources Limited Securities Incentive Plan (2022) (**Plan**) is being considered for approval by Shareholders at the Annual General Meeting. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below:

- (a) **(Eligible Participant):** Eligible Participant means a person that:
- (i) is an "ESS participant" (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company; and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (b) **(Purpose):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) 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.
- (c) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- (d) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
- On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company.
- The Board may accept an application from an Eligible Participant in whole or in part.
- If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
- (e) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (f) **(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.
- (g) **(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.
- (h) **(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.

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

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 Trading Days immediately preceding that given date, unless otherwise specified in an invitation. A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (i) **(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.
- (j) **(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:

- (i) 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
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (k) **(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.
- (l) **(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.
- (m) **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

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

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

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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.

- (o) **(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.

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.

- (p) **(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.

- (q) **(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.
- (r) **(Board powers and discretion):** Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion except to the extent that it prevents the Company relying on the deferred tax concessions under Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth). Any decision by the Board regarding the interpretation, effect or application of these Rules, is final, conclusive and binding. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any Eligible Participant or Participant.

Compliance with Applicable Laws

Notwithstanding these Rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.

Where monetary consideration is payable by the Eligible Participant for a Security, and in respect of Convertible Securities where the Exercise Price on exercise of those Convertible Securities is greater than zero, the Company must have reasonable grounds to believe, when making an Invitation:

- (i) the total number of Plan Shares that are, or are covered by the Securities that may be issued under an Invitation; or
- (ii) the total number of Plan Shares that are, or are covered by the Securities that may be issued, or could have been issued in connection with the Plan in reliance on Division 1A of Part 7.12 of the Corporations Act at any time during the previous 3 year period prior to the date the Invitation is made,

does not exceed:

- (i) if the Constitution specifies an issue cap percentage, that percentage; or
- (ii) 5% (or such other maximum permitted under any Applicable Law),

of the total number of Shares on issue at the date of the Invitation.

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

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Annexure D – Proportional Takeover Provisions

Rule 6 Plebiscite to approve proportional takeover bids

6.1 Definitions

In this rule 6:

- (a) **approving resolution**, in relation to a proportional takeover bid, means a resolution to approve the proportional takeover bid passed in accordance with rule 6.3;
- (b) **approving resolution deadline**, in relation to a proportional takeover bid, means the day that is 14 days before the last day of the bid period, during which the offers under the proportional takeover bid remain open or a later day allowed by the Australian Securities and Investments Commission;
- (c) **proportional takeover bid** means a takeover bid that is made or purports to be made under section 618(l)(b) of the Act in respect of securities included in a class of securities in the company; and
- (d) **relevant class**, in relation to a proportional takeover bid, means the class of securities in the company in respect of which offers are made under the proportional takeover bid.

6.2 Transfers not to be registered

Despite rules 5.1(c) and 5.2, a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid must not be registered unless an approving resolution to approve the proportional takeover bid has been passed or is taken to have been passed in accordance with rule 6.3.

6.3 Approving resolution

- (a) Where offers have been made under a proportional takeover bid, the directors must:
 - (1) convene a meeting of the persons entitled to vote on the approving resolution for the purpose of considering and, if thought fit, passing a resolution to approve the proportional takeover bid; and
 - (2) ensure that the resolution is voted on in accordance with this rule 6.3, before the approving resolution deadline.
- (b) The provisions of this constitution relating to general meetings apply, with such modification as the circumstances require, to a meeting that is convened under rule 6.3(a), as if that meeting were a general meeting of the company.
- (c) The bidder under a proportional takeover bid and any associates of the bidder are not entitled to vote on the approving resolution and if they do vote, their votes must not be counted.
- (d) Subject to rule 6.3(c), a person who, as at the end of the day on which the first offer under the proportional takeover bid was made, held securities of the relevant class, is entitled to vote on the approving resolution relating to the proportional takeover bid.
- (e) An approving resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (f) If an approving resolution has not been voted on in accordance with this rule 6.3 as at the end of the day before the approving resolution deadline, an approving resolution will be taken to have been passed in accordance with this rule 6.3 on the approving resolution deadline.

6.4 Sunset

Rules 6.1, 6.2 and 6.3, cease to have effect at the end of 3 years beginning:

- (a) where those rules have not been renewed in accordance with the Act, on the date that those rules were adopted by the company; or
- (b) where those rules have been renewed in accordance with the Act, on the date those rules were last renewed.



LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

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

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

ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Redstone Resources Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting

OR



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

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth Western Australia on 28 November 2022 at 1.45pm WST** and at any adjournment or postponement of that Meeting.

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

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 3, 4, 5, 6 & 10 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

VOTING DIRECTIONS

Resolutions	For	Against	Abstain*
1 Re-election of Mr Richard Homsany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Brett Hodgins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of the Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of the Issue of Annexure A Options to a Director, Mr Richard Homsany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of the Issue of Annexure A Options to a Director, Mr van Heemst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of the Issue of Annexure A Options to a Director, Mr Brett Hodgins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of the Issue of Annexure A Options to Key Consultants and/or Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of Issue of Shares – Equity Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval of Securities Incentive Plan (2022)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Re-Insertion of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

Email Address

☐

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

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

CHANGE OF ADDRESS

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

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

VOTING DIRECTIONS – PROXY APPOINTMENT

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

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 3, 4, 5, 6 & 10, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 3, 4, 5, 6 & 10.

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

COMPLIANCE WITH LISTING RULE 14.11

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

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

CORPORATE REPRESENTATIVES

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

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

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

Joint Holding:

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

Power of Attorney:

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

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 1.45pm WST on 26 November 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

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



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033