



31 October 2022

Dear Shareholder

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting (Meeting) of Shareholders of Dreadnought Resources Limited (ABN 40 119 031 864) (Company) will be held at the Fellows Room, Trinity, 230 Hampden Road, Crawley, Western Australia 6009 on Wednesday, 30 November 2022 at 11.00 am (AWST).

In accordance with amendments to the Corporations Act in August 2021, the Company will not be dispatching physical copies of the Notice of Annual General Meeting (**Notice**). Instead, a copy of the Notice is available at the following link: <https://www.dreadnoughtresources.com.au/investors/asx-announcements/>.

The Notice can also be accessed at the Company's ASX Announcement Platform at the following link: <https://www2.asx.com.au/markets/trade-our-cash-market/announcements.dre>.

For those shareholders who have provided an email address and elected to receive electronic communications from the Company, an email has been sent to the nominated email address with a link to an electronic copy of the Notice and the proxy form/voting instruction form.

For shareholders who have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry, Computershare Investor Services Pty Limited, using any of the following methods:

Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR code on your proxy form and follow the prompts

Your proxy voting instruction must be received by 11:00 am (AWST) on Monday, 28 November 2022, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Circumstances relating to COVID-19 are changing rapidly. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at www.dreadnoughtresources.com.au.

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

Yours sincerely,
Jessamyn Lyons
Company Secretary

Dreadnought Resources Limited
ACN 119 031 864

Notice of Annual General Meeting

Notice is given that the Annual General Meeting will be held at:

Time: 11:00 am (WST)
Date: 30 November 2022
Place: Trinity on Hampden
230 Hampden Road
Nedlands WA 6009

Due to current COVID-19 restrictions, persons proposing to attend the Annual General Meeting in person are requested to contact the Company by email at jlyons@dreadnoughtresources.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

Important

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (Sydney time) on 28 November 2022.

Business of the Meeting

Agenda

1. Financial Statements and Reports

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 30 June 2022."

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

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

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

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

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

3. Resolution 2 – Election of Director – Mr Philip Crutchfield

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

"That, for the purposes of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Philip Crutchfield, who was appointed as an additional Director on 13 September 2022, retires, and being eligible, is elected as a Director."

4. Resolution 3 – Re-election of Director – Mr Paul Chapman

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

"That, for the purposes of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Paul Chapman, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. Resolution 4 – Ratification of previous issue of Shares – Placement

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000,000 Shares to various sophisticated and professional investors on 5 August 2022 under ASX Listing Rule 7.1, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of the Shares, or any of their associates.

6. Resolution 5 – Ratification of prior issue of Shares – Tenements Acquisition

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,350,000 Shares to the vendor of the seven exploration tenements under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Arrow (Strickland) Pty Ltd, or any of their associates.

7. Resolution 6 – Ratification of agreement to issue Shares – Star of Mangaroon Acquisition

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the agreement to issue 21,000,000 Shares to the vendors of the Star of Mangaroon tenements under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Anthony Stehn and Michael Brown or any of their associates.

8. Resolution 7 – Participation of Director in Placement – Paul Chapman

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 5,000,000 Shares to Mr Paul Chapman (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Paul Chapman (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 that person or those persons.

9. Resolution 8 – Participation of Related Party in Placement – Paul Payne

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 833,334 Shares to Mr Paul Payne (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Paul Payne (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 that person or those persons.

10. Resolution 9 – Enable the issue of Equity Incentives under an Employee Incentive Scheme – Dreadnought Equity Incentive Plan

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)), and for all other purposes, approval is given to enable the Company to issue Equity Incentives under the employee incentive scheme titled “Dreadnought Equity Incentive Plan”, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

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

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

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

11. Resolution 10 – Approval to issue Performance Rights to a Related Party – Paul Chapman

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Paul Chapman (or his nominee(s)) 900,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 (being a Director of the Company and any of their respective associates) who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and

- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

12. Resolution 11 – Approval to issue Performance Rights to a Related Party – Dean Tuck

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Dean Tuck (or his nominee(s)) 5,000,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 (being a Director of the Company and any of their respective associates) who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

- (a) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

13. Resolution 12 – Approval to issue Performance Rights to a Related Party – Ian Gordon

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Ian Gordon (or his nominee(s)) 900,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 (being a Director of the Company and any of their respective associates) who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and

- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

14. Resolution 13 – Approval to issue Performance Rights to a Related Party – Philip Crutchfield

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Philip Crutchfield (or his nominee(s)) 900,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 (being a Director of the Company and any of their respective associates) who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

15. Resolution 14 – Approval to issue Options to a Related Party – Philip Crutchfield

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Philip Crutchfield (or his nominee(s)) 853,098 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 (being a Director of the Company and any of their respective associates) who is eligible to participate in the Dreadnought Equity Incentive Plan, or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

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

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

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

16. Resolution 15 – Appointment of Auditor – PKF Perth

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

“That, for the purposes of section 327B(1) and 327C(2) of the Corporations Act and for all other purpose, approval is given for the appointment of PKF Perth as auditor of the Company, having been appointed by the Directors to fill a casual vacancy on 2 September 2022.”

17. Resolution 16 – Non-executive Directors’ remuneration

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

“That, for the purposes of clause 14.8 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$300,000 per annum to \$400,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director and any of their associates.

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

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

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment 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.

18. Resolution 17 – Replacement of Constitution

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

“That, for the purposes of section 136(2) and 136(1)(b) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chair for identification purposes.”

19. Resolution 18 – Approval of 10% Issuance Capacity

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling up to 10% of the issued capital of the Company

at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Dated: 31 October 2022

By order of the Board

Jessamyn Lyons
Company Secretary

Voting Exclusion Statements

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that 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) provided the Chair is not a Restricted Party in respect of the relevant Resolution (refer to Resolutions 10 to 14), the Chair, as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (i) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting in person

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

Due to current COVID-19 restrictions, persons proposing to attend the Annual General Meeting in person are requested to contact the Company by email at jlyons@dreadnoughtresources.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6245 2050.

Explanatory Statement

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

1. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Annual Report is available on the Company's website at <https://dreadnoughtresources.com.au/>

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Annual Report and the management of the Company. Shareholders will also be given an opportunity to ask the auditor questions as permitted by the Corporations Act.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

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

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

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

2.2 Voting consequences

The vote on Resolution 1 is advisory only and does not bind the Company or its Directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

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

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

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

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

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. Resolution 2 – Election of Director – Mr Philip Crutchfield

3.1 General

The Constitution sets out the requirements for determining which Directors are to retire at an annual general meeting.

ASX Listing Rule 14.4 requires that a director appointed as an additional director must not hold office (without re-election) past the next annual general meeting of the company.

Mr Crutchfield, who has served as a director since 13 September 2022, retires and seeks election at this Meeting.

3.2 Qualifications and other material directorships

Philip is a prominent and well respected barrister specialising in commercial law. Since 2015, Philip was chairman of highly successful financial services company Zip Co Limited (ASX:Z1P) until his resignation on 2 March 2021. Philip is also a director of Encounter Resources Limited (ASX:ENR), Black Cat Syndicate (ASX:BC8), Hamelin Gold Limited (ASX:HMG) and Applyflow Limited (ASX:AFW).

Philip is the Chair of the Bell Shakespeare Theatre Company and the Victorian Bar Foundation Limited. Philip is also a former partner of Mallesons Stephen Jaques (now King & Wood Mallesons).

3.3 Independence

The Board considers that Mr Crutchfield is an independent director.

3.4 Other material information

The Company conducted appropriate checks into the background and experience of Mr Crutchfield before his appointment, and is satisfied that he is an appropriate candidate to put forward for election as a Director.

3.5 Board recommendation

The Board supports the election of Mr Crutchfield and recommends that Shareholders vote in favour of Resolution 2 because the Board considers that the experience, expertise and skills of Mr Crutchfield assist the Board in fulfilling its responsibilities.

4. Resolution 3 – Re-election of Director – Mr Paul Chapman

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire at an annual general meeting.

ASX Listing Rule 14.4 states that a director must not hold office without re-election past the third annual general meeting following that director's appointment or 3 years, whichever is longer.

Mr Chapman, having been a director of the Company since 9 April 2019, and last re-elected on 28 November 2019, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and, being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Mr Paul Chapman (B.Comm., CA, Grad. Dip. Tax., MAIDC, MAusIMM) is the non-executive chairman of the Company. Mr Chapman is a company director with over 30 years in the resource sector. Mr Chapman has held senior management roles across a range of commodity businesses and public companies in Australia and the USA. Mr Chapman was a founding director and shareholder of Reliance Mining, Encounter Resources, Rex Minerals, Silver Lake Resources, Black Cat Syndicate and Dreadnought Resources.

Paul is also Non-Executive Chairman of Meeka Metals (ASX:MEK) (since 2022), Black Cat Syndicate (ASX:BC8) (since 2017), Encounter Resources (ASX: ENR) (since 2005) and a non-executive director of Sunshine Gold (ASX:SHN)(since 2020).

4.3 Independence

The Board considers that Mr Chapman is not an independent director due to his (and his associates) substantial shareholding in the Company.

4.4 Board recommendation

The Board supports the election of Mr Chapman and recommends that Shareholders vote in favour of Resolution 3 because the Board considers that the experience, expertise and skills of Mr Chapman assist the Board in fulfilling its responsibilities.

5. Resolution 4 – Ratification of prior issue of Shares – Placement

5.1 General

On 1 August 2022, the Company announced it had received firm commitments to raise \$12,000,000 by the issue of 200,000,000 Shares at \$0.06 per Share.

On 5 August 2022, the Company issued 200,000,000 Shares to sophisticated and professional investors (**Placement Shares**) using its existing placement capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

5.2 Listing Rules 7.1 and 7.4

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

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

5.3 Effect of the Resolution

If Shareholders approve Resolution 4, they will have ratified the issue of the Placement Shares, and the issue of those Shares will no longer use up a portion of the Company's Placement Capacity, and will be included in the base figure (referred to as variable "A" in ASX Listing Rule 7.1) from which the Company's 15% Placement Capacity and 10% Additional Placement Capacity under Listing Rule 7.1A are calculated (as explained further below), meaning the Company will have an increased ability to issue equity securities without seeking Shareholder approval.

If Shareholders do not approve Resolution 4, the issue of the Placement Shares will continue to use up a portion of the Company's current Placement Capacity until the date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

5.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4 so the Company can preserve maximum flexibility in terms of its ability to issue equity securities under its Placement Capacity.

5.5 Technical information required by ASX Listing Rule 7.5

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

- (a) the Shares were issued to sophisticated and professional investors identified by the joint lead managers to the Placement, Canaccord Genuity and Shaw & Partners, in consultation with the Directors. None of the subscribers were a related party of the Company or an associate of a related party; nor were any of them a member of the Company's Key Management Personnel, a substantial holder of the Company, an adviser of the Company, or any associate of any of those parties, who were issued more than 1% of the issued capital of the Company ;
- (b) the number of Shares issued was 200,000,000;
- (c) the Shares were issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 5 August 2022;
- (e) the Shares were issued for cash consideration of \$0.06 per Share;
- (f) the funds raised by the issue of the Shares are primarily being used to accelerate infill, extension and discovery drilling at the Company's 100% owned Mangaroon Rare Earth Project; and
- (g) the Shares were not issued pursuant to an agreement, but the Company engaged Canaccord Genuity and Shaw & Partners as joint lead managers to the Placement. The Company paid Canaccord Genuity and Shaw & Partners fees of an aggregate of 6% of the amount raised under the Placement.

6. Resolution 5 – Ratification of prior issue of Shares – Tenements Acquisition

6.1 General

On 11 July 2022, the Company announced it had entered an agreement to acquire a 100% legal and beneficial interest in seven tenements covering ~100 strike kilometres over the Evanston and Yerilgee greenstone belts located adjacent to Illaara, in the Central Yilgarn Region of Western Australia (**Acquisition**).

The material terms of the agreement relating to the Acquisition are:

- (a) **Vendor:** Arrow (Strickland) Pty Ltd
- (b) Tenements: E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634
- (c) Consideration:
 - (i) Deposit: \$20,000

- (ii) Completion payment: \$280,000 and 2,350,000 Shares
- (iii) Deferred: \$300,000 on or by 30 November 2022 and \$1,000,000 on the identification and reporting of JORC compliant inferred resource of >500,000oz gold equivalent
- (d) Royalty: 1% net smelter return royalty

On 1 August 2022, the Company issued 2,350,000 Shares to the Vendor (**Consideration Shares**) using its existing placement capacity under Listing Rule 7.1.

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

6.2 Listing Rules 7.1 and 7.4

A summary of ASX Listing Rules 7.1 and 7.4 are set out in Section 5.2.

6.3 Effect of the Resolution

If Shareholders approve Resolution 5, they will have ratified the issue of the Consideration Shares, and the issue of those Shares will no longer use up a portion of the Company's Placement Capacity, and will be included in the base figure (referred to as variable "A" in ASX Listing Rule 7.1) from which the Company's 15% Placement Capacity and 10% Additional Placement Capacity under Listing Rule 7.1A are calculated (as explained further below), meaning the Company will have an increased ability to issue equity securities without seeking Shareholder approval.

If Shareholders do not approve Resolution 5, the issue of the Consideration Shares will continue to use up a portion of the Company's current Placement Capacity until the date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

6.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5 so the Company can preserve maximum flexibility in terms of its ability to issue equity securities under its Placement Capacity.

6.5 Technical information required by ASX Listing Rule 7.5

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

- (a) the Shares were issued to the Vendor, Arrow (Strickland) Pty Ltd (ACN 159 554 748);
- (b) the number of Shares issued was 2,350,000;
- (c) the Shares were issued on the same terms and conditions as the Company's existing Shares other than being subject to voluntary escrow until 5:00 pm WST on 31 January 2023;
- (d) the Shares were issued on 1 August 2022;
- (e) the Shares were issued for nil cash consideration as the purpose of the issue was as part consideration for the Acquisition; and
- (f) the Shares were issued pursuant to the agreement for the Acquisition which is summarised at Section 6.1.

7. Resolution 6 – Ratification of agreement to issue Shares – Star of Mangaroon Acquisition

7.1 General

On 12 September 2022, the Company announced it had entered an agreement to acquire a 100% legal and beneficial interest in five tenements covering 77 km² strategically located between the Company's 100% owned rare earths project and the FQM Ni-Cu-PGE earn-in at the Mangaroon Project in the Gascoyne region of Australia (**Star of Mangaroon Acquisition**).

The material terms of the agreement relating to the Star of Mangaroon Acquisition are:

- (a) **Star of Mangaroon Vendors:** Anthony Stehn & Michael Brown
- (b) Tenements: E09/2290, M09/146, M09/147, M09/175 and M09/174
- (c) Total Consideration:
 - (i) Deposit: \$75,000
 - (ii) Completion payment: \$75,000 and 21,000,000 Shares
 - (iii) Deferred: \$300,000 on or by 30 November 2022 and \$1,000,000 on the identification and reporting of JORC compliant inferred resource of >500,000oz gold equivalent
- (d) Royalty: 1% gross royalty on E09/2290, M09/146 and M09/147 and 0.5% gross royalty on M09/175 and M09/174

The Company has not yet issued the 21,000,000 Shares to the Vendors (**Acquisition Shares**) but has agreed to issue them using its existing placement capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the agreement to issue the Acquisition Shares.

7.2 Listing Rules 7.1 and 7.4

A summary of ASX Listing Rules 7.1 and 7.4 are set out in Section 5.2.

7.3 Effect of the Resolution

If Shareholders approve Resolution 6, they will have ratified the agreement to issue the Acquisition Shares, and the issue of those Shares, subject to it occurring within 3 months of the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) will no longer use up a portion of the Company's Placement Capacity, and will be included in the base figure (referred to as variable "A" in ASX Listing Rule 7.1) from which the Company's 15% Placement Capacity and 10% Additional Placement Capacity under Listing Rule 7.1A are calculated (as explained further below), meaning the Company will have an increased ability to issue equity securities without seeking Shareholder approval.

If Shareholders do not approve Resolution 6, the issue of the Acquisition Shares will continue to use up a portion of the Company's current Placement Capacity until the date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

7.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 6 so the Company can preserve maximum flexibility in terms of its ability to issue equity securities under its Placement Capacity.

7.5 Technical information required by ASX Listing Rule 7.5

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

- (a) the Shares will be issued to the Star of Mangaroon Vendors, Anthony Stehn and Michael Brown (or their nominee/s);
- (b) the number of Shares to be issued is 21,000,000;
- (c) the Shares will be issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares are to be issued at completion of the Star of Mangaroon Acquisition which is intended to be in November 2022. In any event the issue date is intended to be no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the Shares will be issued for nil cash consideration as the purpose of the issue was as part consideration for the Star of Mangaroon Acquisition; and
- (f) the Shares were issued pursuant to the agreement for the Star of Mangaroon Acquisition which is summarised at Section 7.1.

8. Resolutions 7 and 8 – Participation of Related Parties in Placement – Paul Chapman and Paul Payne

8.1 General

When the Placement the subject of Resolution 4 (the raising of \$12 million at an issue price of \$0.06) was announced on 1 August 2022, two Directors Paul Chapman and Paul Payne, committed to participate in the Placement (**Related Party Participants**), subject to Shareholder approval. (Paul Payne resigned as a Director on 13 September 2022, but is considered to remain a Related Party of the Company for a period of 6 months following his resignation.) The Placement issue price was at or about the then prevailing market price of the Company's Shares on ASX (a 7.7% discount to the last traded price before the announcement, a 1.4% discount to the 5 day volume weighted average price, and a 0.8% premium to the 10 day VWAP). In accordance with their announced commitments to participate in the Placement, Paul Chapman has applied for \$300,000 worth of Shares and Paul Payne for \$50,000 worth of Shares, at the issue price under the Placement of \$0.06 per Share.

8.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The participation of the Related Party Participants in the Placement involves the granting of a financial benefit and each Related Party Participant is a related party of the Company by virtue of being a Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares to the Related Party Participants by virtue of their participation in the Placement because these Shares are to be issued to those parties at the same price and on the same terms and conditions as to all other subscribers to the Placement.

8.3 Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship 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,

unless it obtains the approval of its shareholders.

The issue of Shares to the Related Party Participants falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 7 and 8 seek the required Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 10.11.

8.4 Effect of Resolutions

If any or both of Resolutions 7 and 8 are passed, the Company will be able to proceed with the issue of the Shares to the Related Party Participants in respect of whom the relevant Resolution(s) is passed within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and the Related Party Participants will be able to participate in the Placement. As it is an exception from Listing Rule 7.1 pursuant to Listing Rule 7.2 Exception 14 if

approval for an issue of equity securities is obtained under Listing Rule 10.11, the issue of the Shares will not use up any of the Company's Placement Capacity under that rule.

If any or both of Resolutions 7 or 8 are not passed, the Related Party Participant(s) in respect of whom the Resolution(s) is not passed will not be able to participate in the Placement.

8.5 Board recommendation

The Directors (other than the Related Party Participants who decline to give a recommendation due to their respective material personal interest in Resolutions 7 and 8) recommend that Shareholders vote in favour of Resolutions 7 and 8.

8.6 Technical information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 7 and 8:

- (a) the Shares will be issued to the following persons:
 - (i) Paul Chapman (or his nominee) pursuant to Resolution 7;
 - (ii) Paul Payne (or his nominee) pursuant to Resolution 8,

Paul Chapman falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director, and Paul Payne falls within the category set out in Listing Rule 10.11.1 by virtue of having been a Director within the previous 6 months;
- (b) the maximum number of Shares to be issued to the Related Party Participants is 5,833,334 comprising:
 - (i) 5,000,000 Shares to Paul Chapman (or his nominee) pursuant to Resolution 7;
 - (ii) 833,334 Shares to Paul Payne (or his nominee) pursuant to Resolution 8,
- (c) the Shares will be issued on the same terms and conditions as all other existing Shares on issue;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the Shares will be issued at \$0.06 per Share, being the same price as all other Shares in the Placement; and
- (f) the purpose of the issue of the Shares is to enable the Related Party Participants to continue to support the Company through the participation in the Placement and the funds raised will be used in the same manner as the remaining funds raised by the Placement as described in Section 5.5(f).

9. Resolution 9 – Enable the issue of Equity Incentives under an Employee Incentive Scheme – Dreadnought Equity Incentive Plan

9.1 General

Following amendments to the Corporations Act effective 1 October 2022, the Company has decided to implement a new employee incentive scheme titled 'Equity Incentive Plan' (**Plan**) which has been

updated for consistency with the amendments to the Corporations Act and provides for the issue of Performance Rights and Options.

The Company has previously operated an Incentive Option Plan. Prior issues under this plan will continue to be governed by the rules of that plan, however, the Company has decided to discontinue the use of that plan and instead future issues will be made under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the implementation of the Plan and future issues of Equity Incentives under the Plan will provide selected directors, employees and consultants with the opportunity to participate in the future growth of the Company.

Resolution 9 seeks Shareholder approval to enable the issue of Equity Incentives under the Plan in reliance on ASX Listing Rule 7.2 Exception 13.

9.2 ASX Listing Rules 7.1 and 7.2 Exception 13

A summary of ASX Listing Rule 7.1 is set out in Section 5.2.

Certain issues of equity securities are exempt from the restrictions of ASX Listing Rule 7.1, and are effectively disregarded for the purposes of determining the number of equity securities that a listed company has issued within a 12 month period.

ASX Listing Rule 7.2 Exception 13 creates an exception from Listing Rule 7.1 for the issue of equity securities pursuant to an employee incentive scheme for a period of 3 years after either:

- (a) the listing of the company, provided that the terms of the employee incentive scheme and the maximum number that may be issued under the scheme were set out in the company's listing prospectus; or
- (b) shareholders have approved the issue of securities under the employee incentive scheme being an exception from ASX Listing Rule 7.1, provided that the notice of meeting included a summary of the terms of the employee incentive scheme and certain required disclosures about the number of securities previously issued under the scheme and the maximum number that may be issued under the scheme.

The exemption is only available for the issue of equity securities under the employee incentive scheme up to the maximum number stated in the prospectus or notice of meeting, as applicable. The exemption also ceases to be available if there is a material change to the terms of the employee incentive scheme after shareholder approval has been obtained.

9.3 Effect of the Resolution

Resolution 9 seeks Shareholder approval for the issue of Equity Incentives under the Plan to be an exception from Listing Rule 7.1 for a period of 3 years.

If Shareholders approve this Resolution, any issue of Equity Incentives under the Plan over the 3 years after the date of the Meeting (up to the maximum number calculated as set out in Section 1.1(c)) will not use up a portion of the Company's Placement Capacity when that issue is made. This means that the Company will preserve its flexibility to issue equity securities without seeking Shareholder approval if and when it grants Equity Incentives under the Plan.

It should be noted that if the Resolution is passed, the Company will only be able to issue equity securities under the Plan to eligible participants who are unrelated parties without seeking prior Shareholder approval. Any proposed issue of Equity Incentives to a Director, or any of their associates, under the Plan will require prior Shareholder approval under ASX Listing Rule 10.14, such as Resolutions 10 to 14.

If Shareholders do not approve this Resolution, the Company may still decide in future to grant Equity Incentives to eligible employees and consultants who are unrelated parties of the Company under the Plan, but each such issue will not be exempt from Listing Rule 7.1 and will use up a portion of the Company's Placement Capacity at the relevant time made (unless another exemption from Listing Rule 7.1 is applicable). The issue of Equity Incentives under the Plan in those circumstances would therefore reduce the Company's ability to issue equity securities without seeking Shareholder approval.

9.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

9.5 Technical information required by Listing Rule 7.2 Exception 13

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

- (a) a summary of the Plan is set out at Schedule 1;
- (b) no Equity Incentives have been issued under the Plan. However, the total number of Equity Incentives granted under the previous employee incentive scheme (the Incentive Option Plan) since it was last approved by Shareholders on 30 November 2020 is: **41,479,452**
 - (i) 5,479,452 options issued on 9 December 2020 with Shareholder approval under ASX Listing Rule 10.14;
 - (ii) 5,500,000 options issued on 9 December 2020 with Shareholder approval under ASX Listing Rule 7.1;
 - (iii) 1,500,000 options issued on 15 January 2021 with Shareholder approval under ASX Listing Rule 7.2 Exception 13;
 - (iv) 11,500,000 options issued on 6 July 2021 with Shareholder approval under ASX Listing Rule 7.2 Exception 13;
 - (v) 2,000,000 options issued on 31 August 2021 with Shareholder approval under ASX Listing Rule 7.2 Exception 13;
 - (vi) 5,000,000 options issued on 30 November 2021 with Shareholder approval under ASX Listing Rule 10.14;
 - (vii) 2,000,000 options issued on 30 November 2021 with Shareholder approval under ASX Listing Rule 7.2 Exception 13; and
 - (viii) 8,500,000 options issued on 14 July 2022 with Shareholder approval under ASX Listing Rule 7.2 Exception 13.
- (c) the maximum number of Equity Incentives to be issued under the Plan (other than issues approved by Shareholders under ASX Listing Rule 10.14) following approval under this Resolution at any given time, unless otherwise approved by Shareholders, will be 150,000,000 (being approximately 5% of the number of the Company's fully paid ordinary shares on issue at the date of this Notice – 3,042,533,551 Shares). As announced on 17 August 2022, the Company intends to issue 21,500,000 Performance Rights under the Plan following the Meeting to eligible participants who are not related parties of the Company.

10. Resolutions 10 to 13 – Issue of Performance Rights to Related Parties

10.1 General

Resolutions 10 to 13 seek Shareholder approval for the issue of a total of 7,700,000 Performance Rights to each of Paul Chapman, Dean Tuck, Ian Gordon, and Philip Crutchfield (or their respective nominees) (together the **Related Parties**) (**Performance Rights**) pursuant to the Plan.

These Resolutions reflect the Board's decision, announced on 17 August 2022, following the remuneration review for the 2022-2023 financial year, to create a long term incentive scheme (the Plan, which is the subject of Resolution 9) and to issue Performance Rights to directors thereunder, subject to Shareholder approval. The Board had determined the vesting conditions of the Performance Rights to be offered to the Directors, which are set out in the following paragraph, and the number of Performance Rights to be offered to each Director. The Share price at the time of this announcement was \$0.088 (the closing price of the Company's Shares on ASX on 16 August 2022).

Since the 17 August 2022 announcement, a new director, Philip Crutchfield, has been appointed to the Board, and Paul Payne has resigned. The Board subsequently decided when Mr Philip Crutchfield was appointed as a Director that he would also be offered the same number of Performance Rights as the then other non-executive Directors, and that no offer of Performance Rights would be made to Paul Payne given his resignation.

The Performance Rights will be divided equally into three classes with different vesting conditions as follows:

- (a) Class A: The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 10Mt @ >1% Total Rare Earth Oxide (**TREO**) by 31 December 2022;
- (b) Class B: The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 20Mt @ >1% TREO by 31 December 2023; and
- (c) Class C: The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 30Mt @ >1% TREO by 31 December 2024.

Resolutions 10 to 13 inclusive are ordinary resolutions but are not conditional on each of them being passed.

10.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 8.2.

The issue of the Performance Rights constitutes the giving of a financial benefit. Each of the proposed grantees of the Performance Rights is a related party of the Company by reason of being a Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

Section 211 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is remuneration as an officer or employee of the company and to give remuneration would be reasonable given the circumstances of the company giving the remuneration and the related party's circumstances (including responsibilities involved in the office or employment).

The issue of Performance Rights to Philip Crutchfield (or his nominee) was negotiated as part of the terms of his appointment and is considered by the other members of the Board to have been both negotiated at arm's length and reasonable remuneration. However, for the reasons set out below,

the issue of Performance Rights to the other Related Parties requires Shareholder approval under Chapter 2E of the Corporations Act and in the interests of good corporate governance the Board has also determined to seek Shareholder approval under Chapter 2E of the Corporations Act for the issue of the Performance Rights to Philip Crutchfield (or his nominee).

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered. The Directors do not have a material personal interest in these Resolutions, other than the Resolution to issue Performance Rights to himself. However, in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest, the Directors have not considered whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions, and as it is proposed that Performance Rights be issued to all Directors, they are unable to form a quorum at Board level to make a determination on whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions. Therefore, the Board has determined in accordance with section 195(4) of the Corporations Act to seek Shareholder approval for the issue of the Performance Rights.

10.3 ASX Listing Rule 10.14

A summary of ASX Listing Rule 10.11 is set out in Section 8.3. ASX Listing Rule 10.12 Exception 8 makes an exception from ASX Listing Rule 10.11 for issues of equity securities to related parties who participate in the issue of securities under an employee incentive scheme with shareholder approval.

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director;
- (b) an associate of a director; or
- (c) a person whose relationship with the company, or with a director or associate of a director, is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders.

unless it obtains the approval of its shareholders.

As the issue of the Performance Rights constitutes the issue of equity securities to directors of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required.

The Company therefore seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14. There is a separate Resolution in respect of the issue of Performance Rights to each individual Related Party.

10.4 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out at Section 5.2.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights if approval is obtained under ASX Listing Rule 10.14. Accordingly, the issue of Performance Rights to each of the Directors, if approved, will not be included in the use of the Company's Placement Capacity pursuant to ASX Listing Rule 7.1.

10.5 Effect of the Resolutions

The effect of Resolutions 10 to 13 will be to allow the Company to issue the Performance Rights to the Related Party the subject of each Resolution that is passed.

If any or all of Resolutions 10 to 13 are not passed, the Company will not be able to proceed with the issue of Performance Rights to any proposed recipient of the Performance Rights in respect of whom the relevant Resolution has not been passed. In that case, the Company may have to consider alternatives in respect of the relevant Director's remuneration, which may include increasing his cash remuneration.

10.6 Board Recommendation

Given the material personal interest of each other Director in the Resolution expressly relevant to him, and in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation on resolutions about each other's remuneration (as there may be a conflict of interest), the Directors do not consider it appropriate to give a recommendation on any of Resolutions 10 to 13.

10.7 Technical information required by ASX Listing Rule 10.13

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

- (a) the securities will be issued to the Related Parties as follows:
 - (i) 900,000 Performance Rights to Paul Chapman (or his nominee/s);
 - (ii) 5,000,000 Performance Rights to Dean Tuck (or his nominee/s);
 - (iii) 900,000 Performance Rights to Ian Gordon (or his nominee/s); and
 - (iv) 900,000 Performance Rights to Philip Crutchfield (or his nominee/s);
- (b) each of Paul Chapman, Dean Tuck, Ian Gordon and Philip Crutchfield is a Director of the Company, bringing each of them within the category set out in Listing Rule 10.14.1;
- (c) the maximum number of Performance Rights to be issued to each of the Related Parties is set out in Section 10.7(a);
- (d) the current total annual remuneration package of each of the Related Parties for the current financial year (1 July 2022 - 30 June 2023), each before the issue of the Performance Rights the subject of Resolutions 10 to 13, is as follows:
 - (i) *Paul Chapman*

Salary/Fees	\$60,000 per annum
Superannuation	\$6,300 per annum
Total	\$66,300 per annum
Options/other non-cash remuneration	Nil
<i>(subject to shareholder approval of Resolution 10)</i>	300,000 Class A Performance Rights 300,000 Class B Performance Rights 300,000 Class C Performance Rights <i>Refer to the valuation of these Performance Rights at Section 10.7(h)</i>

(ii) *Dean Tuck*

Salary/Fees	\$250,000 per annum
Superannuation	\$26,250 per annum
Total	\$276,250 per annum
Options/other non-cash remuneration	
<i>(Options issued on 30 November 2021 under Incentive Option Plan pursuant to Shareholder approval at 2021 AGM on 24 November 2021).</i>	<p>5,000,000 unlisted options with an exercise price of \$0.04 expiring on 2 July 2024. 50% of these options vest 12 months after grant date, and 50% vest 24 months after grant date.</p> <p>An expense of \$83,721 was recognized in respect of these options in the financial year ended 30 June 2022.</p> <p>The expense for the financial year ending 30 June 2023 will be \$84,361.</p> <p><i>Refer to Remuneration Report and note 27 to consolidated financial statements in Annual Report for year ended 30 June 2022.</i></p>
<i>Performance Rights not yet granted</i>	
<i>(subject to shareholder approval of Resolution 11)</i>	<p>1,666,666 Class A Performance Rights 1,666,667 Class B Performance Rights 1,666,667 Class C Performance Rights</p> <p><i>Refer to the valuation of these Performance Rights at Section 10.7(h)</i></p>

(iii) *Ian Gordon*

Salary/Fees	\$60,000 per annum
Superannuation	\$6,300 per annum
Total	\$66,300 per annum
Options/other non-cash remuneration	Nil
<i>(subject to shareholder approval of Resolution 12)</i>	<p>300,000 Class A Performance Rights 300,000 Class B Performance Rights 300,000 Class C Performance Rights</p> <p><i>Refer to the valuation of these Performance Rights at Section 10.7(h)</i></p>

(iv) *Philip Crutchfield*

Salary/Fees	\$60,000 per annum
Superannuation	\$6,300 per annum
Total	\$66,300 per annum
Options/other non-cash remuneration	Nil
<i>(subject to shareholder approval of Resolution 13)</i>	300,000 Class A Performance Rights 300,000 Class B Performance Rights 300,000 Class C Performance Rights <i>Refer to the valuation of these Performance Rights at Section 10.7(h)</i>
<i>(subject to shareholder approval of Resolution 14)</i>	853,098 Options <i>Refer to the valuation of these Options at Section 11.7(h)</i>

- (e) the Related Parties have not previously been issued any Performance Rights under the Plan, but have been issued the following Options under the former Incentive Option Plan;
- (i) 5,479,452 options issued on 9 December 2020 with Shareholder approval under ASX Listing Rule 10.14; and
- (ii) 5,000,000 options issued on 30 November 2021 with Shareholder approval under ASX Listing Rule 10.14.
- (f) a summary of the material terms of the Performance Rights is set out in Schedule 2. Each Performance Right entitles the holder to acquire a share in the Company subject to the fulfilment of the vesting and exercise conditions;
- (g) Performance Rights are being offered as an incentive component of each Related Party's remuneration package. The Company has chosen to seek Shareholder approval for the issue of Performance Rights as part of each Related Party's remuneration package in order to provide a performance-linked incentive component, and to motivate and reward their performance in the achievement of the vesting conditions within the relevant time periods. This is considered a cost-effective remuneration practice, and 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. It is considered reasonable given the vesting conditions will align the interests of each of the Related Parties with those of Shareholders;
- (h) the value of the Performance Rights is set out in the table below. The valuation has been completed by internal management of the Company using the Cox, Ross & Rubinstein Binomial Tree valuation model. (The underlying security price used in the valuation model reflects the closing price of the Company's Shares as at the valuation date of 7 October 2022, which was higher than the closing price at the time of the Board's decision to seek Shareholder approval for the issue of Performance Rights. The Board resolved to issue the Performance Rights (subject to Shareholder approval) in a meeting held on 10 August 2022). The share-based payment valuations for Performance Rights shown below are prepared solely for financial reporting purposes (and specifically for AASB 2 Share Based Payments) and are not to be considered either the market price that the performance rights could theoretically be traded at nor an appropriate valuation for any other purposes

including personal taxation.

- (i) the Performance Rights will be issued no later than 3 years after the date of the Meeting, and it is intended that the Performance Rights will all be granted on the same date;
- (j) the Performance Rights will be issued for no cash consideration. Accordingly, no capital will be raised from the issue of the Performance Rights, as the purpose of the issue is to provide an equity incentive as part of the remuneration package for each of the Related Parties;

	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
Assumption			
Valuation Date	7 October 2022	7 October 2022	7 October 2022
Underlying security price	\$0.0970	\$0.0970	\$0.0970
Exercise price	Nil	Nil	Nil
Term (years)	3 years	3 years	3 years
Risk free interest rate	3.34%	3.34%	3.34%
Volatility	123.42%	123.42%	123.42%
Indicative Value (\$) (per Performance Right) (rounded to 4 decimal places)	\$0.0970	\$0.0970	\$0.0970
Quantity	2,566,666	2,566,667	2,566,667
Value (\$) (Total)	\$248,967	\$248,967	\$248,967
Value (\$) (Total)	\$746,900		
Value (\$) (per Related Party)			
Paul Chapman	\$29,100	\$29,100	\$29,100
Total	\$87,300		
Dean Tuck	\$161,667	\$161,667	\$161,667
Total	\$485,000		
Ian Gordon	\$29,100	\$29,100	\$29,100
Total	\$87,300		
Philip Crutchfield	\$29,100	\$29,100	\$29,100
Total	\$87,300		

- (k) a summary of the material terms of the Plan is set out at Schedule 1;
- (l) no loan will be made in connection with the grant of the Performance Rights;
- (m) details of any securities issued under the Plan will be published in the Annual Report

relating to any year in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and

- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the Resolution is approved, and who were not named in the Notice, will not participate until approval is obtained under that Listing Rule.

10.8 Technical information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information (in addition to the information provided in Section 10.7) is provided in relation to the issue of the Performance Rights the subject of Resolutions 10 to 13:

- (a) the Performance Rights will be issued to each of the Related Parties specified in Section 10.7(a);
- (b) the nature of the financial benefit being provided is the Performance Rights. The quantity and terms of the Performance Rights are set out in Sections 10.7(a) and 10.7(f);
- (c) each Related Party's interests in the Resolutions and the recommendation or reasons for not giving a recommendation on these Resolutions is set out in Section 10.6;
- (d) the value of the Performance Rights is set out in Section 10.7(h);
- (e) the relevant interests in securities of the Company of the Directors are set out below:

Director	Shares	Options	Performance Rights
Paul Chapman	311,038,084	Nil	Nil
Dean Tuck ¹	20,710,317	38,500,000	Nil
Ian Gordon	48,175,187	Nil	Nil
Philip Crutchfield	67,456,557	Nil	Nil

Notes:

1 30,000,000 Options (exercise price \$0.005, expiry date 9 April 2024), 3,500,000 Options (exercise price \$0.005, expiry date 30 June 2024) and 5,000,000 Options (exercise price \$0.04, expiry date 2 July 2024).

- (f) the current total annual remuneration package from the Company to the Directors for the financial year ending 30 June 2023 is set out in Section 10.7(d);
- (g) if the Performance Rights are granted, vest, and are exercised, a total of 7,700,000 Shares would be issued. This would increase the number of Shares on issue from 3,042,533,551 to 3,050,233,551 (assuming that no Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 0.25%, comprising approximately 0.03% by each of Paul Chapman, Ian Gordon, and Philip Crutchfield and 0.16% by Dean Tuck.
- (h) If, at any time any of the Performance Rights vest and are exercised there may be a perceived cost to the Company as the Shares are trading on ASX at a price that is higher than the price of the Performance Rights (being nil). The highest and lowest closing prices of the Shares on ASX during the 12 months preceding the date of this Notice and the closing price on the trading day before the date of this Notice, are set out below:

	Price	Date
Highest	15.5 cents	5 September 2022
Lowest	3.2 cents	10 May 2022
Last	9.7 cents	7 October 2022

- (i) the Board acknowledges the grant of the Performance Rights to Paul Chapman, Ian Gordon and Philip Crutchfield, who are non-executive Directors, is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of the Performance Rights is reasonable in the circumstances for the reasons set out in Section 10.8(k);
- (j) the primary purpose of the grant of the Performance Right is to provide an incentive component in their remuneration package to motivate and reward their performance in their respective roles with the Company;
- (k) the Directors consider the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as:
 - (i) 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;
 - (ii) the grant of the Performance Rights will align the interests of the Related Parties with those of Shareholders; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed.

In forming their reasoning and determining the quantity of Performance Rights to be granted, each Director considered the experience and role of the Related Party, the cash remuneration of each Related Party, the price of Shares and the current market practices when determining the number of Performance Rights to be granted and expiry date of those Performance Rights; and

- (l) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 10 to 13.

11. Resolution 14 – Approval to issue Options to a Related Party – Philip Crutchfield

11.1 General

On 14 September 2022, the Company announced the appointment of Philip Crutchfield as a Director.

In addition to the director fees of \$60,000 per annum (exclusive of superannuation) and the 900,000 Performance Rights which are subject to Shareholder approval under Resolution 13, the Company has agreed, subject to Shareholder approval, to issue 853,098 Options pursuant to the Plan to Philip Crutchfield (or his nominee).

Resolution 14 seeks Shareholder approval for the issue of these Options.

11.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 8.2.

The issue of the Options constitutes the giving of a financial benefit. Philip Crutchfield is a related party of the Company by reason of being a Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

Section 211 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is remuneration as an officer or employee of the company and to give remuneration would be reasonable given the circumstances of the company giving the remuneration and the related party's circumstances (including responsibilities involved in the office or employment).

The issue of Options to Philip Crutchfield (or his nominee) was negotiated as part of the terms of his appointment and is considered by the other members of the Board to have been both negotiated at arm's length and reasonable remuneration. However, for the reasons set out in Section 8.2 in relation to the issue of the Performance Rights, in the interests of good corporate governance the Board has also determined to seek Shareholder approval under Chapter 2E of the Corporations Act for the issue of the Options to Philip Crutchfield (or his nominee).

11.3 ASX Listing Rule 10.14

A summary of ASX Listing Rule 10.11 is set out in Section 8.3 and a summary of ASX Listing Rule 10.14 is set out in Section 10.3.

As the issue of the Options to Philip Crutchfield (or his nominee) constitutes the issue of equity securities to a director of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required.

The Company therefore seeks the required Shareholder approval for the issue of the Options to Philip Crutchfield (or his nominee) under and for the purposes of Listing Rule 10.14.

11.4 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out at Section 5.2.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Options if approval is obtained under ASX Listing Rule 10.14. Accordingly, the issue of Options to each of the Directors, if approved, will not be included in the use of the Company's Placement Capacity pursuant to ASX Listing Rule 7.1.

11.5 Effect of the Resolutions

The effect of Resolution 14 will be to allow the Company to issue the Options to Philip Crutchfield (or his nominee) if it is passed.

If Resolution 14 is not passed, the Company will not be able to proceed with the issue of Options to Philip Crutchfield (or his nominee). In that case, the Company may have to consider alternatives in respect of Philip Crutchfield's remuneration, which may include increasing his cash remuneration.

11.6 Board Recommendation

Given the issue of the Options relates to the remuneration of Philip Crutchfield and the business of the AGM contains other Resolutions relating to the issue of Equity Securities as remuneration to other Directors and the material personal interest of each other Director in those Resolutions expressly relevant to him, and in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation on resolutions about each other's remuneration, the Directors do not consider it appropriate to give a recommendation on Resolution 14.

11.7 Technical information required by ASX Listing Rule 10.13

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

- (a) the securities will be issued to Philip Crutchfield (or his nominee/s);
- (b) Philip Crutchfield is a Director of the Company, bringing him within the category set out in Listing Rule 10.14.1;
- (c) the maximum number of Options to be issued to Philip Crutchfield (or his nominee/s) is 843,098 options;
- (d) the current total annual remuneration package of Philip Crutchfield for the current financial year (1 July 2022 - 30 June 2023), before the issue of the Performance Rights the subject of Resolution 13 and the Options the subject of Resolution 14, is set out in Section 10.7(d)(iv);
- (e) Philip Crutchfield has not previously been issued any Equity Incentives under the Plan, but Shareholder approval is being sought pursuant to Resolution 13 for the issue of 900,000 Performance Rights to Philip Crutchfield (or his nominee);
- (f) a summary of the material terms of the Options is set out in Schedule 3;
- (g) the Options are being offered as an incentive component of Philip Crutchfield's remuneration package. The Company has chosen to seek Shareholder approval for the issue of Options as part of Philip Crutchfield's remuneration package in order to provide a performance-linked incentive component, and to motivate and reward his performance. This is considered a cost-effective remuneration practice, and 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;
- (h) the value of the Options is set out in the table below. The valuation has been completed by internal management of the Company using the Black & Scholes option pricing model.

Variable	
Valuation Date	6 October 2022
Share price (at valuation (grant) date)	\$0.105
Exercise price (50% premium to Share price at grant date)	\$0.1575
Term (years)	3
Risk free interest rate (RBA interest rate of 5 year government bond)	3.34%
Volatility	123.42%
Value (\$) (per Option)	\$0.0703
Quantity	853,098
Total value (\$)	\$60,000

- (i) the Options will be issued no later than 3 years after the date of the Meeting, and it is intended that the Options will all be granted on the same date;
- (j) the Options will be issued for no cash consideration. Accordingly, no capital will be raised from the issue of the Options, as the purpose of the issue is to provide an equity incentive as part of the remuneration package for Philip Crutchfield;
- (k) a summary of the material terms of the Plan is set out at Schedule 1;
- (l) no loan will be made in connection with the grant of the Options;
- (m) details of any securities issued under the Plan will be published in the Annual Report relating to any year in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the Resolution is approved, and who were not named in the Notice, will not participate until approval is obtained under that Listing Rule.

11.8 Technical information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information (in addition to the information provided in Section 10.7) is provided in relation to the issue of the Options the subject of Resolution 14:

- (a) the Options will be issued to Philip Crutchfield (or his nominee);
- (b) the nature of the financial benefit being provided is the Options. The quantity and terms of the Options are set out in Sections 11.7(a) and 11.7(f);
- (c) Philip Crutchfield's interest in the Resolution and the recommendation or reasons for not giving a recommendation on this Resolution by the remaining Directors is set out in Section 11.6;
- (d) the value of the Options is set out in Section 11.7(h);
- (e) the relevant interests in securities of the Company of Philip Crutchfield are set out in Section 10.8(e);
- (f) the current total annual remuneration package from the Company to Philip Crutchfield for the financial year ending 30 June 2023 is set out in Section 10.7(d)(iv);
- (g) if the Options are granted, and are exercised, a total of 853,098 Shares would be issued. This would increase the number of Shares on issue from 3,042,533,551 to 3,043,386,649 (assuming that no Options are exercised, Performance Rights converted and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by approximately 0.028%;
- (h) The market price for Shares during the term of the Options will determine whether or not the Options are exercised. If, at any time any of the Options are exercised there may be a perceived cost to the Company as the Shares are trading on ASX at a price that is higher than the exercise price of the Options. The highest and lowest closing prices of the Shares on ASX during the 12 months preceding the date of this Notice and the closing price on the trading day before the date of this Notice, are set out in Section 10.8(h);
- (i) the Board acknowledges the grant of the Options to Philip Crutchfield, who is a non-executive Director, is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate

Governance Council. However, the Board considers the grant of the Options is reasonable in the circumstances for the reasons set out in Section 11.8(k);

- (j) the primary purpose of the grant of the Options is to provide an incentive component in their remuneration package to motivate and reward Philip Crutchfield's performance in his role with the Company;
- (k) the Directors consider the grant of the Options is a reasonable and appropriate method to provide cost effective remuneration as:
 - (i) 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;
 - (ii) the grant of the Options will align the interests of Philip Crutchfield with those of Shareholders; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Options upon the terms proposed.

In forming their reasoning and determining the quantity of Options to be granted the Directors considered the experience and role of Philip Crutchfield, his cash remuneration, the price of Shares and the current market practices when determining the number of Options to be granted and expiry date of those Options; and

- (l) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 14.

12. Resolution 15 – Appointment of Auditor – PKF Perth

12.1 General

Resolution 15 seeks Shareholder approval for the appointment of PKF Perth (**PKF Perth**) as the Company's auditor.

On 2 September 2022 the Board appointed PKF Perth as auditor of the Company, replacing Nexia Perth Audit Services Pty Ltd who resigned from that position in accordance with section 329(5) of the Corporations Act.

The appointment of PKF Perth continues until the Annual General Meeting, at which time the appointment must be approved by Shareholders.

The Company acknowledges that PKF Perth consented in writing to being appointed as the Company's auditor.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for PKF Perth to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

12.2 Directors' recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution.

13. **Resolution 16 – Non-executive Directors’ remuneration**

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

Clause 14.8 of the Constitution also states that the total aggregate fixed sum per annum to be paid to Directors (excluding salaries of executive Directors) may only be varied by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$300,000. Resolution 16 seeks Shareholder approval to increase this figure by \$100,000 to \$400,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine “special exertion” fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

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

The proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

In the 3 years prior to the date of the Meeting, the Company has issued non-executive Directors a total of 5,479,452 Options with prior Shareholder approval under ASX Listing Rules 10.11 and 10.14.

If Resolution 16 is approved, the Company will have the ability to increase the remuneration of non-executive Directors up to the increased limit of \$400,000.

If Resolution 16 is not approved, the Company’s remuneration limit of non-executive Directors will remain at \$300,000.

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

14. **Resolution 17 – Replacement of Constitution**

14.1 **General**

A company may modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders.

Resolution 17 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed Australian public company reflecting the current provisions of the Corporations Act and ASX Listing Rules, including changes since the Company’s existing Constitution was adopted in November 2019.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available upon request to the Company (+61 8 6245 2050).

14.2 Reason for the proposed amendments

Use of technology at general meetings (clause 14)

Pursuant to amendments to the Corporations Act in 2022, companies are permitted to hold virtual only meetings subject to certain conditions.

If Resolution 17 is approved, the Proposed Constitution will provide greater flexibility and clarity around how the Company may conduct 'hybrid' or 'virtual' meetings in the future. Consequential provisions are also included to ensure that 'online' attendees are treated as being present at the meeting and are counted for the purposes of determining a quorum and to confirm that the Directors may prescribe the detailed procedures by which meetings held with technological assistance may be conducted.

The Proposed Constitution will also allow the Company to provide notice of meeting and associated documents to Shareholders by a URL link.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the ASX Listing Rules such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution outlines in detail the process that the Company must follow for dealing with unmarketable parcels.

Partial (proportional) takeover provisions (clause 37)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

It is noted that the same provision was included in the Company's current Constitution when it was adopted by Shareholders in November 2019. The proportional takeover clause ceases to have effect on the third anniversary of the date of the adoption or last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
 - (i) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
 - (ii) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the inclusion of the proportional takeover provisions in the Proposed Constitution is in the interests of Shareholders.

14.3 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 18.

15. Resolution 18 – Approval of 10% Issuance Capacity

15.1 General

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

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 increase this 15% limit by an extra 10% to 25%.

An "eligible entity" means an entity which is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes as based on the closing price and quantity of its Shares on 7 October 2022, being \$0.097 multiplied by 3,042,533,551 Shares = \$295,125,754. If the Company's Share price increases, its market capitalisation may be over \$300 million and it would not be an eligible entity. **If the Company is not an eligible entity at the date of the Notice, then Resolution 18 will be withdrawn.**

Resolution 18 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval (**Additional Issuance Capacity**).

If Resolution 18 is not passed, the Company will not be able to access the Additional Issuance Capacity and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Board considers it is in the Company's best interests to have the opportunity to take advantage of the flexibility to issue additional securities provided under ASX Listing Rule 7.1A. As at the date of this Notice, no decision has been made by the Board to undertake any issue of securities under the Additional Issuance Capacity if Shareholders approve Resolution 18. The Board unanimously recommend that Shareholders vote in favour of Resolution 18.

The information below provides more background on ASX Listing Rule 7.1A and the disclosure required by ASX Listing Rule 7.3A.

15.2 Technical information required by ASX Listing Rule 7.3A

(a) Securities which may be issued under the Additional Issuance Capacity

Under the Additional Issuance Capacity, the Company may only issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the Company has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX Code: **DRE**).

(b) Minimum issue price

Equity Securities issued under the Additional Issuance Capacity must be issued for cash consideration per security at an issue price which is not less than 75% of the volume weighted average market price for the securities in that class, calculated over the 15 ASX trading days on which trades of securities in that class were recorded immediately before:

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

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

The Company will disclose this information when Equity Securities are issued under the Additional Issuance Capacity.

(c) **Period for which approval will be valid**

Shareholder approval of the Additional Issuance Capacity will be valid for the period 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 the Meeting; or
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) if the Company receives Shareholder approval for a proposed transaction under ASX Listing Rule 11.1.2 (significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking), the time and date of that approval,

(Additional Issuance Period).

(d) **Dilution risks**

If Equity Securities are issued under the Additional Issuance Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities in the class of securities issued under the Additional Issuance Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A (that is, the date of the Meeting, if Resolution 18 is approved); and
- (ii) the Equity Securities may be issued under the Additional Issuance Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing Shareholders on the basis of the market price of Shares and the number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2, both as at 7 October 2022.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Issue Price (per Share)	Dilution		
		\$0.0485 50% decrease in Issue Price	\$0.097 Issue Price	\$0.1455 50% increase in Issue Price
3,042,533,551 (Current Variable A)	Shares issued - 10% voting dilution	304,253,355	304,253,355	304,253,355
	Funds Raised	\$4,756,288	\$29,512,575	\$44,268,863
	Shares issued	456,380,033	456,380,033	456,380,033

4,563,800,327 (50% increase in Variable A)	- 10% voting dilution			
	Funds Raised	\$22,134,432	\$44,268,863	\$66,403,295
6,085,067,102 (100% increase in Variable A)	Shares issued - 10% voting dilution	605,506,710	605,506,710	605,506,710
	Funds Raised	\$29,512,575	\$59,025,151	\$88,537,726

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 7 October 2022. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 7 October 2022.

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

The table above uses the following assumptions:

1. There are currently 3,042,533,551 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 7 October 2022.
3. The Company issues the maximum possible number of Equity Securities under the Additional Issuance Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the Additional Issuance Capacity consists only of Shares and the consideration provided for those Shares is cash. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(e) **Purpose of issues under Additional Issuance Capacity**

The Company may issue Equity Securities under the Additional Issuance Capacity to raise cash to fund the following:

- (i) general working capital expenses;
- (ii) activities associated with its current business;
- (iii) repayment of debt; or
- (iv) the acquisition of new assets and investments (including any expenses associated with such an acquisition).

The Company will comply with the disclosure requirements of ASX Listing Rule 7.1A.4 on issue of any Equity Securities pursuant to the approval sought by Resolution 18.

(f) **Allocation policy under Additional Issuance Capacity**

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional Issuance Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional Issuance Capacity, including whether the Company will engage with new investors or existing Shareholders, and if so the identities of any such persons.

However, when determining the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

- (i) prevailing market conditions;
- (ii) the purpose for the issue of the Equity Securities;
- (iii) the financial situation and solvency of the Company;
- (iv) impacts of the placement on control;
- (v) other methods of raising capital; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties or associates of related parties of the Company. If the issue is made in connection with the acquisition of assets, the recipients may be the sellers of those assets.

(g) **Previous issues under the Additional Issuance Capacity**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 24 November 2021 (**Previous Approval**).

The Company has not issued or agreed to issue any Shares pursuant to the Previous Approval in the 12 months prior to the date of the Meeting.

15.3 Voting exclusion

At the time of dispatching this Notice, the Company is not proposing to make an issue of Equity Securities under the Additional Issuance Capacity, and a voting exclusion statement is therefore not included in this Notice.

Glossary

\$ means Australian dollars.

Additional Issuance Capacity has the meaning given in Section 10.1.

Annual General Meeting or **Meeting** means the annual general meeting of the Company convened by this Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2022.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of closely related party' in the Corporations Act.

Company means Dreadnought Resources Limited (ACN 119 031 864).

Constitution means the constitution of the Company.

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

Directors means the current directors of the Company.

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

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

Explanatory Statement means the explanatory statement accompanying the Notice.

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

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition.

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

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

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

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

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

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

Schedule 1 – Key terms of the Dreadnought Equity Incentive Plan

The principal terms of the Dreadnought Equity Incentive Plan are summarised below:

- (a) **Eligibility:** Participants in the Plan may be:
 - (i) an employee or Director (whether executive or non-executive) of, or any individual who provides services to, the Company and any Associated Body Corporate of the Company (each a **Group Company**);
 - (ii) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under subparagraph (i); or
 - (iii) a person prescribed by the Corporations Regulations for the purposes of section 1100L(1)(a)(iv) of the Corporations Act
 - (iv) who is declared by the Board to be eligible to receive grants of Equity Incentives under the Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Equity Incentives, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Limit on Offers:** The Company must have reasonable grounds to believe, when making an Offer to which the limit on Offers as set out in section 1100V of the Corporations Act applies, that the number of Shares to be received on exercise of Equity Incentives offered under such an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made as covered by section 1100V(1)(b) of the Corporations Act at any time during the 3 year period ending on the day the Offer is made, will not exceed, if the Constitution specifies an issue cap percentage, that percentage, otherwise, the greater of:
 - (i) 5% of the total number of Shares on issue at the start of the day the Offer is made; or
 - (ii) such other percentage prescribed by the Corporations Regulations for the purposes of section 1100V(2)(b)(iii).
- (d) **Issue price:** Unless the Equity Incentives are Options quoted on the ASX, Equity Incentives issued under the Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** An Equity Incentive may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Equity Incentive.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Equity Incentives have been granted under the Plan or their nominee where the Equity Incentives have been granted to the nominee of the Eligible Participant), resolve to waive any of the Vesting Conditions applying to Equity Incentives due to:
 - (i) Special Circumstances arising in relation to a Relevant Person in respect of those Equity Incentives; or
 - (ii) a Change of Control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

- (g) **Lapse:** An Equity Incentive will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Equity Incentive;
 - (ii) a Vesting Condition in relation to the Equity Incentive is not satisfied by its due date, or becomes incapable of satisfaction as determined by the Board in its sole discretion, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Equity Incentive in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Equity Incentives to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Equity Incentive only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Equity Incentive in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Equity Incentives to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Equity Incentives only, a relevant person ceases to be an Eligible Participant and the Equity Incentive granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Equity Incentive lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) in respect of unvested Equity Incentive only, the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Equity Incentive;
 - (vii) the expiry date of the Equity Incentive.
- (h) **Not transferrable:** Equity Incentives are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law, upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
- (i) **Cashless exercise:** A Participant may, subject to the terms of any Offer, elect to exercise such vested Options by way of a 'cashless exercise'. Where a Participant makes such an election, rather than the Participant being required to pay the Option Exercise Price for each Option to be exercised, the Company will issue the Participant with a smaller number of Shares on the exercise of the Options representing the difference between the value of the Shares to be issued and the Option Exercise Price. Where the Options are exercised by a 'cashless exercise', the Company will only issue such number of Shares as is determined by the following formula (rounded down to a whole number of Shares):
- $$\frac{\text{Number of Options exercised} \times (\text{Closing Share Price} - \text{Option Exercise Price})}{\text{Closing Share Price}}$$
- Where **Closing Share Price** means the closing Share price on the date of receipt by the Company of the exercise notice for the Options.
- (j) **Shares:** Shares resulting from the exercise of the Equity Incentives shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

- (k) **Quotation of Shares:** If Shares of the same class as those issued upon exercise of Equity Incentives issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
- (l) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Equity Incentives, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Equity Incentives up to a maximum of seven (7) years from the grant date of the Equity Incentives. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (m) **No Participation Rights:** There are no participating rights or entitlements inherent in the Equity Incentives and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Equity Incentives.
- (n) **Change in exercise price or number of underlying securities:** Unless specified in the offer of the Equity Incentives and subject to compliance with the Listing Rules, an Equity Incentive does not confer the right to a change in exercise price (if any) or the number of underlying Shares over which the Equity Incentive can be exercised.
- (o) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Equity Incentive are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (p) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Equity Incentive granted under the Plan including giving any amendment retrospective effect.
- (q) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Equity Incentives, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.
- (r) **Definitions:** Capitalised terms used in the above summary are as defined in the Equity Incentive Plan, including:
 - (i) Associated Body Corporate means:
 - (A) a related body corporate (as defined in the Corporations Act) of the Company;
 - (B) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
 - (C) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.
 - (ii) **Change of Control** means:

- (A) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in more than 50% of the Company's issued Shares;
- (B) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (C) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

(iii) **Relevant Person** means:

- (A) in respect of an Eligible Participant, that person; and
- (B) in respect of a nominee of an Eligible Participant, that Eligible Participant.

(iv) **Special Circumstances** means:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - i. death or Total or Permanent Disability of a Relevant Person; or
 - ii. Retirement or Redundancy of a Relevant Person;
- (B) a Relevant Person suffering Severe Financial Hardship;
- (C) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.

Schedule 2 – Terms and conditions of Performance Rights

(a) **Plan Rules**

Each Performance Right is issued subject to the rules of the Dreadnought Equity Incentive Plan (**Plan**) and otherwise on the following terms and conditions.

(b) **Entitlement**

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

(c) **Grant and exercise price**

No cash consideration is payable on the issue of or exercise of a Performance Right.

(d) **Expiry Date**

Unless otherwise determined by the rules of the Plan, each Performance Right will expire at 5:00 pm (WST) on:

Class	Expiry Date
A	30 June 2023
B	30 June 2024
C	30 June 2025

(each an **Expiry Date**). A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Performance Rights will vest upon satisfaction of the following condition:

Class	Vesting Conditions
A	The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 10Mt @ >1% Total Rare Earth Oxide (TREO) by 31 December 2022
B	The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 20Mt @ >1% TREO by 31 December 2023
C	The Company announcing a resource in accordance with the JORC Code of at least the inferred category of 30Mt @ >1% TREO by 31 December 2024

(each, a **Vesting Condition**) unless the Vesting Condition/s is/are waived in accordance with the rules of the Plan.

(f) **Exercise Period**

The Performance Rights are exercisable at any time on and from the date upon which the relevant Vesting Conditions have been satisfied (or waived in accordance with the rules of the Plan), until the Expiry Date (**Exercise Period**).

(g) **Notice of Exercise**

The Performance Rights may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Performance Rights certificate or otherwise in the rules of the Plan (**Notice of Exercise**).

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

Following the date of receipt of a validly issued Notice of Exercise and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing Notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Performance Rights rank equally with the then issued Shares of the Company.

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in number of underlying securities**

A Performance Right does not confer a change in the number of underlying securities over which the Performance Right can be exercised.

(m) **No voting or dividend rights**

A Performance Right does not carry any voting rights or entitle the holder to any dividends.

(n) **Rights on winding up**

A Performance Right does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company. The Performance Rights do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise.

(o) **Transferability**

A Performance Right is not transferable other than a manner consistent with the ASX Listing Rules and the rules of the Plan.

Schedule 3 – Terms and conditions of Options

(a) **Plan Rules**

Each Option is issued subject to the rules of the Dreadnought Equity Incentive Plan (**Plan**) and otherwise on the following terms and conditions.

(b) **Entitlement**

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

(c) **Exercise price**

Subject to paragraphs (f) and (l), the amount payable upon exercise of each Option will be \$0.1575 (**Exercise Price**).

(d) **Expiry Date**

Unless otherwise determined by the rules of the Plan, each Option will expire at 5:00 pm (WST) on the date that is 3 years after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

The Options are exercisable at any time on and from the date of issue, until the Expiry Date (**Exercise Period**).

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Options certificate or otherwise in the rules of the Plan (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company and as required by the rules of the Plan, or, where permitted by the terms of the offer of the Options, making an election on the Notice of Exercise to exercise the Options pursuant to Rule 7.4(a) of the Plan ('cashless exercise').

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and, unless an election to exercise the Options pursuant to Rule 7.4(a) of the Plan ('cashless exercise') is permitted by the terms of the offer of the Options and such an election is made on the Notice of Exercise, the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of:

(A) the number of Options specified in the Notice of Exercise; or

(B) where an election to exercise the Options pursuant to Rule 7.4(a) of the Plan ('cashless exercise') is permitted by the terms of the offer of the Options and such an election is made on the Notice of Exercise, the number of Options calculated pursuant to Rule 7.4(b) of the Plan; and

(ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares

issued pursuant to the exercise of the Options.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing Notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

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

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in Exercise Price or number of underlying securities**

An Option does not confer a right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **No voting or dividend rights**

An Option does not carry any voting rights or entitle the holder to any dividends.

(n) **Rights on winding up**

An Option does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company. The Options do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise.

(o) **Transferability**

An Option is transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws or by the rules of the Plan.

ANNEXURE A

14 October 2022

Dreadnought Resources Limited
Level 3, 35 Outram Street
West Perth WA 6005

I, Keith Coughlan of Kadaje Investments Pty Ltd, being a member of Dreadnought Resources Limited (Company), nominate PKF Perth in accordance with section 328B(1) of the Corporations Act 2001 (Cth) (Act) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

Signed and dated:

A handwritten signature in black ink, appearing to be 'K. Coughlan', with a stylized flourish at the end.

Keith Coughlan
Sole Director

14 October 2022

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Monday, 28 November 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

Online:

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

Your secure access information is



Control Number:
SRN/HIN:
PIN:

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

By Mail:

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

By Fax:

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



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

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

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

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Dreadnought Resources Limited hereby appoint

☐ the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Dreadnought Resources Limited to be held at Trinity on Hampden, 230 Hampden Road, Nedlands, WA 6009 on Wednesday, 30 November 2022 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 9 to 14 and 16 (except where I/we have indicated a different voting intention in step 2 and provided that the Chair is not a "Restricted Party" for the purposes of the Resolution) even though Resolutions 1, 9 to 14 and 16 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 9 to 14 and 16 by marking the appropriate box in step 2 provided that the Chair is not a "Restricted Party" for the purposes of the Resolution.

Step 2 Items of Business

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

	For	Against	Abstain		For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to issue Performance Rights to a Related Party - Paul Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director - Mr Philip Crutchfield	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval to issue Performance Rights to a Related Party - Dean Tuck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Mr Paul Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval to issue Performance Rights to a Related Party - Ian Gordon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of previous issue of Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval to issue Performance Rights to a Related Party - Philip Crutchfield	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue of Shares - Tenements Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Approval to issue Options to a Related Party - Philip Crutchfield	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of agreement to issue Shares - Star of Mangaroon Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Appointment of Auditor - PKF Perth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Participation of Director in Placement - Paul Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16 Non-executive Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Participation of Related Party in Placement - Paul Payne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Enable the issue of Equity Incentives under an Employee Incentive Scheme - Dreadnought Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18 Approval of 10% Issuance Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /
Date

Update your communication details (Optional)

Mobile Number

Email Address

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

