



PEARL GULL IRON

PEARL GULL IRON LIMITED

ACN 621 103 535

NOTICE OF GENERAL MEETING

A general meeting of the Company will be held at Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia at 10:00am (AWST) on Friday, 3 February 2023

The Company advises Shareholders that the Meeting will be held in compliance with any restrictions on public gatherings in Australia.

The Company encourages all Shareholders to vote by directed proxy rather than attend the Meeting in person. Proxy Forms for the Meeting should be lodged before 10:00am (AWST) on Wednesday 1 February 2023.

Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing the questions to admin@pearlgulliron.com.au by no later than 5:00pm (AWST) on Wednesday 1 February 2023.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform.

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6383 7988.

PEARL GULL IRON LIMITED

ACN 621 103 535

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Pearl Gull Iron Limited ACN 621 103 535 (**Company**) will be held at Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia at 10:00am (AWST) on Friday, 3 February 2023 (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice. We recommend Shareholders read the Explanatory Memorandum in relation to the proposed Resolutions.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 1 February 2023 at 4:00pm (AWST).

The Company advises that a poll will be conducted for the Resolutions.

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

1. Resolution 1 – Ratification of Tranche 1 Placement Shares

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 15,450,000 Shares (at an issue price of \$0.02 per Share) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue of Shares or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Issue of Tranche 2 Placement Shares

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of up to 34,550,000 Shares (at an issue price of \$0.02 per Share) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Shares (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).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Issue of Options to Golden Triangle Corporate

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of 2,000,000 Options to Golden Triangle Corporate Pty Ltd (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Options (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).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. Resolution 4 – Issue of Options to Malekula Projects

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of 18,000,000 Options to Malekula Projects Pty Ltd (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Options (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).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 28 December 2022

By order of the Board



Chris Hunt
Company Secretary

PEARL GULL IRON LIMITED

ACN 621 103 535

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting.

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

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Background
Section 4	Resolution 1 – Ratification of Tranche 1 Placement Shares
Section 5	Resolution 2 – Issue of Tranche 2 Placement Shares
Section 6	Resolution 3 – Issue of Options to Golden Triangle Corporate
Section 7	Resolution 4 – Issue of Options to Malekula Projects
Schedule 1	Definitions
Schedule 2	Terms and Conditions of Options

A Proxy Form is enclosed with the Notice.

2. Action to be taken by Shareholders

Shareholders should read this Notice, including this Explanatory Memorandum, carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is enclosed with this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to vote at the Meeting either in person or, if they are unable to attend in person, to sign and return the Proxy Form to the Company in accordance with the instructions on the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;

- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that body corporate's representative. The authority may be sent to the Company or its Share Registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

Proxy Forms must be received by the Company no later than 10:00am (AWST) on Wednesday, 1 February 2023, being at least 48 hours before the Meeting. Proxy Forms received later than this time will be invalid.

You can lodge your Proxy Form to the Company's share registry, Automic Group:

- (a) **Online:** at <https://investor.automic.com.au/#loginsah>.
- (b) **Mail:** to Automic, GPO Box 5193, Sydney, NSW 2001, Australia.
- (c) **Delivery:** to Automic, Level 5, 126 Phillip Street, Sydney, NSW 2000, Australia.
- (d) **Email:** to meetings@automicgroup.com.au
- (e) **Facsimile:** +61 2 8583 3040.

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

2.2 Attendance at the Meeting

The Company advises Shareholders that the Meeting will be held in compliance with any government restriction on gatherings in Western Australia.

If it becomes necessary or appropriate to make alternative arrangements to those detailed in this Notice, Shareholders will be updated via the ASX announcements platform and on the Company's website at <https://www.pearlgulliron.com.au/>.

3. Background

3.1 The Capital Raising

On 20 December 2022, the Company announced that it was undertaking a fully underwriting capital to raise approximately \$2 million, to be structured as follows:

- (a) a non-renounceable pro-rata entitlement offer to eligible shareholders on the basis of one (1) new Share for every two (2) Shares held on the record date at an issue price of \$0.02 per new Share to raise approximately \$1 million (before costs) (**Entitlement Offer**); and
- (b) a two tranche placement of 50,000,000 Shares to sophisticated and professional investors at an issue price of \$0.02 per Share to raise \$1 million (before costs) (**Placement**).

The Company entered into a mandate letter with Golden Triangle Corporate Pty Ltd (ACN 622 693 243) to act as lead manager (**Lead Manager** or **Golden Triangle**) to the Entitlement Offer and the Placement (**Mandate**). Refer to Section 5.3 for further details.

Maleuka Projects Pty Ltd (ACN 160 904 601) (**Underwriter** or **Maleuka**) has been appointed as the Underwriter to fully underwrite the Entitlement Offer and Placement pursuant to an underwriting agreement (**Underwriting Agreement**). Refer to Section 7.3 for further details.

3.2 Placement

The Company is seeking to raise \$1 million (before costs) under a two tranche placement of 50,000,000 Shares to sophisticated and professional investors at an issue price of \$0.02 per Share. The Placement comprises:

- (a) 15,450,000 Shares, which were issued under the Company's placement capacity pursuant to Listing Rule 7.1 (**Tranche 1 Placement**) (refer to Resolution 1); and
- (b) 34,550,000 Shares, to be issued subject to Shareholder approval (**Tranche 2 Placement**) (refer to Resolution 2).

Refer to the Company's ASX announcement dated 20 December 2022 for further details.

4. Resolution 1 – Ratification of Tranche 1 Placement Shares issued under Listing Rule 7.1

4.1 Background

The Company has issued 15,450,000 Shares at an issue price of \$0.02 per Share under the Tranche 1 Placement (**Tranche 1 Placement Shares**).

The Tranche 1 Placement Shares were issued in January 2023 without Shareholder approval pursuant to the Company's placement capacity under Listing Rule 7.1.

Refer to Section 3 for further details on the Placement.

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.4 (and for all other purposes) to ratify the issue of the Tranche 1 Placement Shares.

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 1.

4.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without 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 (**15% Placement Capacity**).

The issue of the Tranche 1 Placement Shares does not fall within any of these exceptions, and, as it has not yet been approved by Shareholders, it effectively uses up the majority of the Company's 15% Placement Capacity in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date the Tranche 1 Placement Shares were issued.

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder ratification and approval for the Tranche 1 Placement Shares under and for the purposes of Listing Rule 7.4 (and for all other purposes).

If Resolution 1 is passed, the issue of the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date the Tranche 1 Placement Shares were issued.

If Resolution 1 is not passed, the Tranche 1 Placement Shares will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date the Tranche 1 Placement Shares were issued.

4.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolution 1 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Tranche 1 Placement Shares were issued to Kingslane Pty Ltd <Cranston Super Pension A/C> and Mr Mark John Bahen + Mrs Margaret Patricia Bahen <MJ Bahen Super Fund A/C>.
- (b) 15,450,000 Shares were issued.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued at an issue price of \$0.02 per Share, raising a total of \$309,000 (before costs).
- (e) The Tranche 1 Placement Shares were issued on or around 5 January 2023.
- (f) Funds raised from the issue of the Tranche 1 Placement Shares will be used to progress the Company's existing assets, assess new opportunities and for general working capital and corporate costs requirements.
- (g) A voting exclusion statement is included in the Notice for Resolution 1.

4.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

5. Resolution 2 – Issue of Tranche 2 Placement Shares

5.1 Background

Resolution 2 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes) for the Company to issue up to 34,550,000 Shares at an issue price of \$0.02 per Share under the Tranche 2 Placement (**Tranche 2 Placement Shares**).

Refer to Section 3 for further details on the Placement.

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 2.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 4.2.

The issue of the Tranche 2 Placement Shares pursuant to Resolution 2 does not fall within any of the exceptions to Listing Rule 7.1 (and it exceeds the 15% Placement Capacity) and is conditional upon Shareholder approval (which is being sought pursuant to Resolution 2).

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Tranche

2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the issue of the Tranche 2 Placement Shares will only proceed to the extent that the Company has the available placement capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1. If the Company does not have the available placement capacity to issue the Tranche 2 Placement Shares without Shareholder approval under Listing Rule 7.1, the issue of the Tranche 2 Placement Shares will not be able to proceed. If Resolution 2 is not passed, the Company may need to find alternatives ways to raise capital.

5.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 2 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Tranche 2 Placement Shares will be issued to Malekula and other professional and sophisticated investors selected by Malekula and the Company. Golden Triangle acted as Lead Manager to the Placement and Malekula acted as Underwriter and bookrunner. Other than Malekula, no investor under the Tranche 2 Placement will be a related party, a member of the Company's key management personnel, a substantial shareholder or an adviser of the Company or an associate of those persons.
- (b) The maximum number of Shares that the Company may issue to investors under Resolution 2 is 34,550,000 Shares.
- (c) The Tranche 2 Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Placement Shares will have an issue price of \$0.02 per Share, raising a total of \$691,000 (before costs).
- (e) The Tranche 2 Placement Shares will be issued no later than three months following the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (f) Funds raised from the issue of the Tranche 2 Placement Shares will be used to progress the Company's existing assets, assess new opportunities and for general working capital and corporate costs requirements.
- (g) A voting exclusion statement is included in the Notice for Resolution 2.

5.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 2.

6. Resolution 3 – Issue of Options to Golden Triangle Corporate

6.1 Background

Golden Triangle acted as Lead Manager to the Placement and Entitlement Offer. The Company agreed to issue 2,000,000 unlisted Options (**Lead Manager Options**) to Golden Triangle (and/or its nominee(s)) as part consideration for providing lead manager services to the Company for the Placement and Entitlement Offer.

The Lead Manager Options have an issue price of \$0.0001 per Option, exercise price of \$0.05 per Option and expire three years from the date of issue. The terms and conditions of the Lead Manager Options are detailed in Schedule 2.

Resolution 3 seeks Shareholder approval for the issue of the 2,000,000 Lead Manager

Options to Golden Triangle pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes).

Resolution 3 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 3.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 4.2.

The issue of the Lead Manager Options does not fall within any of the exceptions to Listing Rule 7.1 (and it exceeds the 15% Placement Capacity) and is conditional upon Shareholder approval (which is being sought pursuant to Resolution 3).

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Lead Manager Options (and Shares issued on exercise of the Lead Manager Options). In addition, the issue of the Lead Manager Options (and Shares issued on exercise of the Lead Manager Options) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the issue of the Lead Manager Options will only proceed to the extent that the Company has the available placement capacity to issue the Lead Manager Options without Shareholder approval under Listing Rule 7.1. If the Company does not have the available placement capacity to issue the Lead Manager Options without Shareholder approval under Listing Rule 7.1, the issue of the Lead Manager Options will not be able to proceed. If Resolution 3 is not passed, the Company may need to satisfy its obligation under the Mandate with cash, which would otherwise be directed to the Company's existing assets and new opportunities.

6.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 3 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Lead Manager Options will be issued to Golden Triangle (and/or its nominee(s)). Golden Triangle is not a related party of the Company, a substantial shareholder for the purposes of Listing Rule 10.11 or an associate of those persons.
- (b) The maximum number of Options that the Company may issue to Golden Triangle (and/or its nominee(s)) is 2,000,000 Options.
- (c) The Lead Manager Options have an issue price of \$0.0001 per Option, an exercise price of \$0.05 per Option and will expire three years from the date of issue. The terms and conditions of the Lead Manager Options are detailed in Schedule 2.
- (d) The Lead Manager Options will be issued no later than three months following 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 Lead Manager Options are proposed to be issued as part consideration for Golden Triangle providing lead manager services to the Company for the Placement and the Entitlement Offer.
- (f) The Company entered into a mandate letter with Golden Triangle pursuant to which Golden Triangle agreed to act as lead manager to the Placement and the Entitlement Offer. Pursuant to the Mandate, the Company agreed to issue 2,000,000 Lead Manager Options, subject to Shareholder approval. The Company also agreed to pay a 1% management fee to the Lead Manager on the total amount raised under the Placement and the Entitlement Offer.
- (g) A voting exclusion is included in the Notice for Resolution 3.

6.4 Board recommendation

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

7. Resolution 4 – Issue of Options to Malekula Projects

7.1 Background

Malekula acted as Underwriter to the Placement and Entitlement Offer. The Company agreed to issue 18,000,000 unlisted Options (**Underwriter Options**) to Malekula (and/or its nominee(s)) as part consideration for underwriting the Placement and Entitlement Offer.

The Underwriter Options have an issue price of \$0.0001 per Option, exercise price of \$0.05 per Option and expire three years from the date of issue. The terms and conditions of the Underwriter Options are detailed in Schedule 2.

Resolution 4 seeks Shareholder approval for the issue of the 18,000,000 Underwriter Options to Malekula pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes).

Resolution 4 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 4.

7.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 4.2.

The issue of the Underwriter Options does not fall within any of the exceptions to Listing Rule 7.1 (and it exceeds the 15% Placement Capacity) and is conditional upon Shareholder approval (which is being sought pursuant to Resolution 4).

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Underwriter Options (and Shares issued on exercise of the Underwriter Options). In addition, the issue of the Underwriter Options (and Shares issued on exercise of the Underwriter Options) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the issue of the Underwriter Options will only proceed to the extent that the Company has the available placement capacity to issue the Underwriter Options without Shareholder approval under Listing Rule 7.1. If the Company does not have the available placement capacity to issue the Underwriter Options without Shareholder approval under Listing Rule 7.1, the issue of the Underwriter Options will not be able to proceed. If Resolution 4 is not passed, the Company may need to satisfy its obligation under the Underwriting Agreement with cash, which would otherwise be directed to the Company's existing assets and new opportunities.

7.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 4 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Underwriter Options will be issued to Malekula (and/or its nominee(s)). Malekula is not a related party of the Company, a substantial shareholder for the purposes of Listing Rule 10.11 or an associate of those persons.
- (b) The maximum number of Options that the Company may issue to Malekula (and/or its nominee(s)) is 18,000,000 Options.
- (c) The Underwriter Options have an issue price of \$0.0001 per Option, an exercise price of \$0.05 per Option and will expire three years from the date of issue. The terms and conditions of the Underwriter Options are detailed in Schedule 2.

- (d) The Underwriter Options will be issued no later than three months following 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 Underwriter Options are proposed to be issued as part consideration for Malekula for underwriting the Placement and the Entitlement Offer.
- (f) The Company entered into an underwriting agreement with Malekula pursuant to which Malekula agreed to act as underwriter for the Placement and the Entitlement Offer. Pursuant to the Underwriting Agreement, the Company agreed to issue 18,000,000 Underwriter Options, subject to Shareholder approval. The Company also agreed to pay a 5% capital raising fee to Malekula on the total amount raised under the Placement and the Entitlement Offer.
- (g) A voting exclusion is included in the Notice for Resolution 4.

7.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

Schedule 1

Definitions

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

15% Placement Capacity has the meaning given in Section 4.2.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

Chairperson means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Company means Pearl Gull Iron Limited (ACN 621 103 535).

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Entitlement Offer has the meaning given in Section 3.1.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Lead Manager or **Golden Triangle** has the meaning given in Section 3.1.

Lead Manager Options has the meaning given in Section 6.1.

Listing Rules means the listing rules of ASX.

Mandate means the mandate letter between the Company and the Lead Manager dated 8 December 2022.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of general meeting and includes the Explanatory Memorandum and Proxy Form.

Option means an option which entitles the holder to subscribe for a Share on the terms and conditions detailed in Schedule 2.

Placement has the meaning given in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

Securities has the same meaning as in the Listing Rules.

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

Shareholder means a holder of one or more Shares.

Share Registry means Automic Pty Ltd (ACN 152 260 814).

Tranche 1 Placement has the meaning given in Section 3.2.

Tranche 1 Placement Shares has the meaning given in Section 4.1.

Tranche 2 Placement has the meaning given in Section 3.2.

Tranche 2 Placement Shares has the meaning given in Section 5.1.

Underwriter or **Malekula** has the meaning given in Section 3.1.

Underwriting Agreement means the underwriting agreement between the Company and the Underwriter dated 19 December 2022.

Underwriter Options has the meaning given in Section 7.1.

Schedule 2

Option Terms and Conditions

- (a) **Entitlement:** Each Option entitles the holder (Optionholder) to subscribe for one Share upon exercise of the Option.
- (b) **Exercise Price:** The amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire at 5:00 pm (AWST) on the date which is three years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise:** Within five Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of

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

- (k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (l) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



PEARL GULL IRON

Pearl Gull Iron Limited | ACN 621 103 535

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (AWST) on Wednesday, 1 February 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

