

Notice of General Meeting and Explanatory Memorandum to Shareholders

The Manhattan Corporation Limited General Meeting will be held as follows:

Date of Meeting

Friday, 17 March 2023

Time of Meeting

10.00am AWST

Venue for Meeting

Level 2
33 Colin Street
WEST PERTH WA 6005

A Proxy has otherwise been provided to you

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the Proxy Form in accordance with the specified directions.

Manhattan Corporation Limited

ABN 61 123 156 089

NOTICE OF GENERAL MEETING

Notice is given that an General Meeting of Shareholders of Manhattan Corporation Limited ABN 61 123 156 089 will be held at Level 2, 33 Colin Street, West Perth WA 6005 on Friday, 17 March 2023 at 10.00am AWST for the purpose of transacting the following business referred to in this Notice of General Meeting.

The Company and the Board are aware of the impact COVID-19 may have on physical meetings. The Board has made the decision that it will hold a physical Meeting with the appropriate social gathering and physical distancing measures in place to comply with the State and Federal Government's restrictions for physical gatherings (if any).

The Company will update Shareholders if changing circumstances will impact the planning or arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at <https://manhattcorp.com.au/>

AGENDA

1 Resolution 1 – Ratification of issue of Tranche 1 Shares

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 228,382,728 Tranche 1 Shares at an issue price of \$0.005 per Share on 13 February 2023 on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of those persons.

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

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

2 Resolution 2 – Proposed issue of Tranche 2 Shares

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

“That, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 681,617,272 Tranche 2 Shares at an issue price of \$0.005 each on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person.

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

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

3 Resolution 3 – Proposed issue of Consideration Shares to R-TEK Group Pty Ltd and Continental Mining Australia Pty Ltd (or their nominees)

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

“That, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of a total of 500,000,000 Consideration Shares at a deemed issue price of \$0.005 to R-TEK Group Pty Ltd and Continental Mining Australia Pty Ltd (or their nominees) as consideration for the Company’s proposed acquisition of Afro Mining, pursuant to the Acquisition Agreement on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) R-TEK or CMA; or
- (b) an Associate of those persons person.

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

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

4 Resolution 4 – Proposed issue of Options to R-TEK Group Pty Ltd (or its nominee)

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

“That, subject to Resolution 3 being passed, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 200,000,000 Options at an issue price of \$0.00001 per Option to R-TEK Group Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) R-TEK or CMA; or
- (b) an Associate of those persons.

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

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

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5 Resolution 5 – Proposed issue of Performance Options to Mr Paul Smith (or his nominees)

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

“That, subject to Resolutions 3 and 4 being passed, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 40,000,000 Performance Options for no consideration to Mr Paul Smith (or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

- Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:
- (a) Mr Paul Smith; or
 - (b) an Associate of Mr Paul Smith.
- However, this does not apply to a vote cast in favour of the Resolution by:
- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
 - (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
 - (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6 Resolution 6 – Proposed issue of Performance Rights to Mr Paul Smith (or his nominees)

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

“That, subject to Resolutions 3 and 4 being passed, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 40,000,000 Performance Rights to Mr Paul Smith (or his nominees), upon commencement of Mr Smith’s appointment as General Manager Canada of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

- Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:
- (a) Mr Paul Smith; or
 - (b) an Associate of Mr Paul Smith.
- However, this does not apply to a vote cast in favour of the Resolution by:
- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
 - (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
 - (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

OTHER BUSINESS

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

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board

Eryn Kestel
Company Secretary
Dated: 15 February 2023

How to vote

Shareholders can vote by either:

attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or

appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

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

Voting by proxy

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.

The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).

A proxy need not be a Shareholder.

The proxy can be either an individual or a body corporate.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.

Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the

proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.

To be effective, proxies must be received by 10.00am (AWST) on Wednesday, 15 March 2023. Proxies received after this time will be invalid.

Proxies may be lodged using any of the following methods:

- by returning a completed Proxy Form by post to:
Computershare Investor Services Pty Ltd

GPO Box 242
Melbourne VIC 3001
Australia
- or by faxing a completed Proxy Form to 1800 783 447 within Australia or +61 3 9473 2555 outside Australia;
- or by recording the proxy appointment and voting instructions via the internet at www.investorvote.com.au. Only registered Shareholders may access this facility and will need their Holder Identification Number (HIN) or Securityholder Reference Number (SRN).

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10.00am (AWST) on Wednesday, 15 March 2023. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4.00pm (AWST) on Wednesday, 15 March 2023.

Manhattan Corporation Limited

ABN 61 123 156 089

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

1 Overview of Acquisition and Placement

1.2 Acquisition of the Chebogue Lithium Project

On 6 February 2023, the Company announced that it had entered into a binding agreement (**Acquisition Agreement**) to acquire 100% of the shares in Afro Mining Pty Ltd (**Afro Mining**), which, via its subsidiary Continental Lithium Limited, has the rights to 109 mineral licences comprising the Chebogue Lithium Project (**Project**) in Nova Scotia, Canada (**Acquisition**). Continental Lithium Limited can also earn a 100% interest under an option agreement relating to two contiguous licences also located in Nova Scotia, Canada, consisting of 80 claims each and referred to as the Briar Lake Lithium Property.

The Chebogue Lithium Project covers approximately 1,200 km² in the emerging hard-rock lithium jurisdiction of Nova Scotia, Canada. The Project represents a significant opportunity for the Company to advance a lithium project that has the potential to host spodumene-bearing pegmatites. At completion, the Company believes the Acquisition will:

- provide shareholders with exposure to a lithium project in a Tier-1 jurisdiction at a time when the demand for lithium is continuing to increase due to consumer demand and legislative shifts towards electric vehicles and the electrification of energy grids around the world; and
- diversify MHC's commodity exposure, complementing its existing gold and uranium projects and enhancing its value proposition, and potential returns to shareholders.

Under the terms of the Acquisition, the Company will acquire 100% of Afro Mining in consideration for 500 million Shares in the Company at an agreed value of \$2,500,000 (**Consideration Shares**), with 25% of those shares subject to a 6-month voluntary escrow period, and a further 50% subject to a 12-month voluntary escrow period.

Completion of the Acquisition is subject to the following conditions precedent:

- the Company completing its due diligence on both Afro Mining and the Project, which has been satisfied as of the date of this Notice;
- the Company successfully raising \$4,500,000 at an issue price of not less than \$0.005 per Share, which will be satisfied upon completion of the Placement described below (**Capital Raising Condition**); and
- the Company obtaining any Shareholder approvals required by the ASX Listing Rules in connection with the Acquisition, including for the issue of consideration to R-TEK and CMA.

The first and second conditions are for the benefit of the Company and may be waived by the Company at any time within 3 months of the date of this announcement.

Further details regarding the Project are set out in the Company's ASX announcement dated 6 February 2023.

1.3 Capital Raising

As also announced by the Company on 6 February 2023, the Company is conducting a placement to sophisticated and professional investors to raise up to \$4.55 million (before costs) by issuing 910 million Shares at \$0.005 per Share (**Placement**).

The Placement comprises two tranches:

- an initial tranche of 228,382,728 Shares (**Tranche 1 Shares**) which were issued to sophisticated and professional investors on 13 February 2023 (**Tranche 1**) to raise approximately \$1.14 million; and
- a second tranche of 681,617,272 Shares (**Tranche 2 Shares**) to sophisticated and professional investors to raise a further \$3.41 million, subject to the Company obtaining Shareholder approval to issue those Shares which is being sought pursuant to Resolution 2 (**Tranche 2**).

Funds raised under the Placement will be primarily applied to the following:

- funding the exploration and advancement of the Company's Tibooburra Gold Project and, subject to completion of the Acquisition, the Chebogue Lithium Project;
- costs of the Placement and the Acquisition; and
- general working capital costs.

Funds raised under the Placement will still be used for the above purposes if the Acquisition does not proceed.

1.4 Appointment of Mr Paul Smith as General Manager Canada

As set out in its announcement of the Acquisition on 6 February 2023, the Company will enter into an agreement with Mr Smith (**Appointment Letter**) pursuant to which Mr Smith will be appointed as General Manager Canada of the Company subject to and with effect from completion of the Acquisition.

Mr Smith is a professional geologist with expertise in structural and economic geology from Acadia University and brings a wealth of North American experience to Manhattan. Mr Smith has a unique mineral deposits skill set that stems from both private and public sector experience and has spent 33 years with the Mineral Resources Section of the Nova Scotia Department of Natural Resources as a Senior Research Gold Geologist and finally as Liaison Geologist for the Provincial government's Mineral Resources Branch.

Mr Smith has held previous roles at Acadian Mining Corp where he was instrumental in the clean-up and sale of the ScoZinc Zn-Pb mine at Gays River and assumed the role there as VP Environmental Permitting and Compliance. He has held roles at Mountain Lake Resources including Exploration Manager, COO and then President & CEO of Mountain Lake Minerals following an RTO and spinout with Marathon Gold that included the sale of the Valentine Lake gold deposit.

The material terms of Mr Smith's Appointment Letter are as follows:

- (a) appointment as General Manager Canada subject to and with effect from completion of the Acquisition;
- (b) duties to include managing and developing the Company's assets located in Canada and providing any technical or strategic advice to the Company as requested by the Board from time to time; and

(c) remuneration package as follows:

- (i) CAD\$135,000 per annum (subject to review);
- (ii) subject to Resolution 5 being passed, 20 million options exercisable into Shares (**Performance Options**) at an exercise price of \$0.02 per Performance Option and an additional 20 million Performance Options at an exercise price of \$0.04 per Performance Option, on the terms and conditions set out in Annexure B. 25% of the Performance Options will vest immediately upon issue, 25% of the Performance Options will vest on Mr Smith providing at least 12 months of continuous service to the Company and the remaining 50% of the Performance Options will vest on Mr Paul Smith providing at least 24 months of continuous service to the Company;
- (iii) subject to Resolution 6 being passed, 20 million performance rights on the terms and conditions set out in Annexure C (**Performance Rights**) which will vest and automatically convert into one Share upon MHC announcing on the ASX Markets Announcement Platform a JORC Code 2012 compliant inferred mineral resource with a minimum tonnage of 5mt of at least 1% Li₂O (or equivalent) at the Project, as verified by an independent competent person under the JORC Code 2012; and
- (iv) subject to Resolution 6 being passed, 20 million Performance Rights which will each vest and automatically convert into one Share upon MHC announcing on the ASX Markets Announcement Platform a JORC Code 2012 compliant inferred mineral resource with a minimum tonnage of 10mt of at least 1% Li₂O (or equivalent) at the Project, as verified by an independent competent person under the JORC Code 2012.

1.5 Capital structure on completion of the Acquisition and Placement

On completion of the Acquisition and Placement (subject to the relevant Resolutions being passed), the Company's indicative capital structure is estimated to be as follows, subject to rounding:

| | Number of Shares | Number of Performance Shares | Number of Options | Number of Performance Rights |
|---|----------------------------|------------------------------|--------------------|------------------------------|
| Balance at the date of this Notice | 1,754,661,421 ¹ | 300,000,000 | 214,000,001 | — |
| Tranche 2 Placement Shares to be issued under Tranche 2 of the Placement | 681,617,272 | — | — | — |
| Consideration Shares and Options to be issued pursuant to the Acquisition Agreement | 500,000,000 | — | 200,000,000 | — |
| Performance Options and Performance Rights to be issued to Paul Smith | — | — | 40,000,000 | 40,000,000 |
| Balance after Acquisition and Placement | 2,936,278,693 | 300,000,000 | 454,000,001 | 40,000,000 |

¹ Includes the Tranche 1 Shares issued under Tranche 1 of the Placement on 13 February 2023.

If all Shares, Options, Performance Options and Performance Rights the subject of all Resolutions in this Notice are granted and exercised, and assuming all existing convertible securities on issue have been exercised or converted, the effect would be to dilute the shareholding of existing Shareholders by 39.18%.

The market price of the Company's Shares during the period of the Options and Performance Options will normally determine whether or not the holder exercises the Options and Performance Options. At the time any Options and Performance Options are exercised and Shares are issued pursuant to the exercise of the Options and Performance Options, the Company's Shares may be trading at a price which is higher than the Option or Performance Option exercise price.

1.6 Directors' Recommendations

The Directors are of the opinion that the Acquisition and Placement are in the best interests of Shareholders and accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 1, 2, 3, 4, 5 and 6. The Directors' recommendations are based on the reasons outlined in this Explanatory Memorandum. Each of the Directors intend to vote all of their Shares in favour of all Resolutions (other than in relation to any Resolution in which they are excluded from voting).

2 Resolution 1 – Ratification of issue of Tranche 1 Shares to investors

On 13 February 2023, the Company issued 228,382,728 Tranche 1 Shares at an issue price of \$0.005 per Share to raise approximately \$1.14 million (before costs) under Tranche 1 of the Placement.

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

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

Listing Rule 7.4 allows the shareholders of a 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 and therefore seeks Shareholder approval to ratify the issue of the Tranche 1 Shares pursuant to the Placement under and for the purposes of Listing Rule 7.4.

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

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

The following information in relation to the Tranche 1 Shares the subject of Tranche 1 of the Placement is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) the Tranche 1 Shares were issued to sophisticated and professional investors and other investors qualifying under s 708 of the Corporations Act, all of whom are unrelated parties of the Company. The placees were selected following a bookbuild process by Westar Capital Limited, the Company's lead manager for the Placement. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that, no related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties were issued more than 1% of the issued capital of the Company;
- (b) 228,382,728 Tranche 1 Shares were issued;
- (c) the Tranche 1 Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- (d) the Tranche 1 Shares were issued on 13 February 2023;
- (e) the Tranche 1 Shares were issued at an issue price of \$0.005 each;
- (f) the Tranche 1 Shares were issued to partially satisfy the Capital Raising Condition to the Acquisition, and the proceeds of the Tranche 1 Shares will be used for the Placement purposes listed at page 2 above; and
- (g) a voting exclusion applies in respect of Resolution 1 as set out in the Notice of Meeting.

3 Resolution 2 – Proposed issue of Tranche 2 Shares to investors

The Company is proposing to issue the Tranche 2 Shares pursuant to the Placement to raise approximately \$3.41 million (before costs). The investors from who the Company has received binding commitments from are professional and sophisticated investors who are unrelated to the Company. Funds raised pursuant to the Placement will be used for the Placement purposes listed at page 2 above.

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of the Tranche 2 Shares pursuant to the Placement does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

Resolution 2 seeks the required Shareholder approval for the proposed issue of Tranche 2 Shares under and for the purposes of Listing Rule 7.1.

If Resolution 2 is passed:

- the Company will be able to proceed with Tranche 2 of the Placement and the Company will issue 681,617,272 Tranche 2 Shares to sophisticated and professional investors;
- the Company's cash reserves will increase by approximately \$3.41 million (before costs);
- the Company will have satisfied the Capital Raising Condition to the Acquisition (see below); and

- the total number of Shares on issue will increase from 1,754,661,421 to 2,436,278,693 and the existing Shareholders holdings will be diluted by 27.98%² on an undiluted basis and 23.10% on a fully diluted basis³.

The Tranche 2 Shares will, upon issue, 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 Company will not be able to proceed with the issue of the Tranche 2 Shares and the Capital Raising Condition to the Acquisition will not be satisfied. As the Capital Raising Condition is for the benefit of the Company, the Company could consider whether to waive the Capital Raising Condition, or attempt to undertake another capital raising in an attempt to satisfy the Capital Raising Condition (which could delay the completion of the Acquisition or result in the Acquisition not proceeding at all).

The following information in relation to the Tranche 2 Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the Tranche 2 Shares will be issued to sophisticated and professional investors and other investors qualifying under s 708 of the Corporations Act, all of whom are unrelated parties of the Company. The placees were selected following a bookbuild process by Westar Capital Limited. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties will be issued more than 1% of the issued capital of the Company;
- (b) the Company will issue 681,617,272 Tranche 2 Shares;
- (c) the Tranche 2 Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Tranche 2 Placement will be issued no later than 5 business days after the date of the Meeting;
- (e) the Company will receive \$0.005 each for each Tranche 2 Share issued;
- (f) the Tranche 2 Shares, if issued, will fully satisfy a condition precedent to the Proposed Acquisition (defined below), and the proceeds of the Tranche 2 Shares will be used for the Placement purposes listed at page 2 above; and
- (g) a voting exclusion applies in respect of Resolution 2 as set out in the Notice of Meeting.

4 Resolutions 3 and 4 – Proposed issue of Consideration Shares to R-TEK Group Pty Ltd and CMA (or their nominees) and Options to R-TEK Group Pty Ltd (or its nominee)

As noted above, the Company entered into the Acquisition Agreement with R-TEK and CMA pursuant to which the Company will acquire 100% of the shares in Afro Mining, which, via its subsidiary Continental Lithium Limited, has the rights to 109 mineral licences comprising the Chebogue Lithium Project.

Pursuant to the terms of the Acquisition Agreement, on completion the Company will issue:

- (a) 500,000,000 Shares at a deemed issue price of \$0.005 per Share (**Consideration Shares**) (being the subject of Resolution 3), comprised of:

² Based on the number of Shares on issue at the date of this Notice of Meeting, including the Tranche 1 Shares the subject of Resolution 1, and assuming no existing convertible securities as at the date of this Notice of Meeting are converted.

³ Assuming all convertible securities currently on issue as of the date of this Notice are exercised into Shares and no other Equity Securities are issued (including the Equity Securities the subject of all Resolutions in this Notice).

- (i) 250,000,000 Consideration Shares to R-TEK (or its nominee); and
- (ii) 250,000,000 Consideration Shares to CMA (or its nominee); and
- (b) 200,000,000 options (**Options**) to R-TEK (or its nominee) (this is the subject of Resolution 4).

Pursuant to the terms of the Acquisition Agreement, 125,000,000 of the Consideration Shares will be subject to voluntary escrow of 6 months from the date of issue. A further 250,000,000 of the Consideration Shares will be subject to voluntary escrow of 12 months from the date of issue.

Resolution 4 is subject to Resolution 3 being passed. If Resolution 3 is not passed, Resolution 4 will be withdrawn.

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of the Consideration Shares and Options pursuant to the Acquisition does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

Resolutions 3 and 4 seek the required Shareholder approval for the proposed issue of Consideration Shares and Options under and for the purposes of Listing Rule 7.1.

If Resolutions 3 and 4 are passed:

- the Company will be able to proceed with the issue of:
 - the Consideration Shares to R-TEK and CMA (or their nominees); and
 - the Options to R-TEK (or its nominee);
- the Company can proceed with the Acquisition of Afro Mining, subject to the conditions precedent under the Acquisition Agreement also having being satisfied or waived; and
- the Consideration Shares are issued pursuant to Resolution 3 and the Options are issued pursuant to Resolution 4 and are exercised into Shares, a total of 700 million Shares will be issued, with the total number of Shares on issue increasing from 2,436,278,693 to 3,136,278,693 and the existing Shareholders holdings will be diluted by 22.32%⁴ on an undiluted basis and 19.18% on a fully diluted basis.⁵

In addition, the Consideration Shares (if Resolution 3 is passed) and Options (if Resolution 4 is passed) will, upon issue, 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, Resolution 4 will be withdrawn. In either case, the Company will not be able to proceed with the issue of the Consideration Shares and Options to R-TEK and to CMA and will therefore be unable to proceed with the acquisition of Afro Mining because the issue of Consideration Shares and Options is the consideration payable to R-TEK and CMA under the Acquisition Agreement (rather than cash).

⁴ Based on the number of Shares on issue at the date of this Notice of Meeting, including the Tranche 1 Shares the subject of Resolution 1 plus the Tranche 2 Shares the subject of Resolution 2, and assuming no existing convertible securities as at the date of this Notice of Meeting are converted.

⁵ Assuming all convertible securities currently on issue as of the date of this Notice and the Options the subject to Resolution 4 are exercised into Shares and no other Equity Securities are issued (including the Equity Securities the subject of all other Resolutions in this Notice).

In relation to Resolution 3, the following information in relation to the Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) 500,000,000 Consideration Shares will be issued on completion of the Acquisition;
- (b) the Company will issue 250,000,000 Consideration Shares to R-TEK and 250,000,000 Consideration Shares to CMA;
- (c) the Consideration Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Consideration Shares will be issued on completion of the Acquisition which will occur 5 business days after satisfaction of the conditions precedent to the Acquisition or any other date that the parties agree, subject to it being no later than 3 months after the date of the Meeting;
- (e) the Consideration Shares are being issued in consideration for the purchase of 100% of the shares in Afro Mining pursuant to the Acquisition Agreement;
- (f) the material terms of the Acquisition Agreement are set out in section 1.2 above; and
- (g) a voting exclusion applies in respect of Resolution 3 as set out in the Notice of Meeting.

In relation to Resolution 4, the following information in relation to the Options to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) 200,000,000 Options will be issued;
- (b) the Company will issue the 200,000,000 Options to R-TEK (or its nominee);
- (c) the Options, upon exercise, will be converted to Shares that are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Options will be issued on completion of the Acquisition which will occur 5 business days after satisfaction of the conditions precedent to the Acquisition or any other date that the parties agree, subject to it being no later than 3 months after the date of the Meeting;
- (e) the Options are being issued in connection with the Company's Acquisition of Afro Mining pursuant to the Acquisition Agreement;
- (f) the material terms of the Acquisition Agreement are set out in section 1.2 above;
- (g) the terms of the Options are set out in Annexure A to this Explanatory Memorandum. 100,000,000 Options will have an exercise price of \$0.01 and 100,000,000 Options will have an exercise price of \$0.02, with the terms of the Options otherwise being the same;
- (h) the Options will be granted for an issue price of \$0.00001 per Option; and
- (i) a voting exclusion applies in respect of Resolution 4 as set out in the Notice of Meeting.

5 Resolutions 5 and 6 – Proposed issue of Performance Options and Performance Rights to Mr Paul Smith (or his nominees)

Under the terms of the Appointment Letter between the Company and Mr Paul Smith, it is proposed that Mr Smith be issued the following remuneration package:

- (a) subject to shareholders passing Resolution 5, 40 million Performance Options on the terms set out in Annexure B, comprised of:

- (i) 20 million Performance Options exercisable at \$0.02 each; and
 - (ii) 20 million Performance Options exercisable at \$0.04 each; and
- (b) subject to shareholders passing Resolution 6, 40 million Performance Rights on the terms set out in Annexure C.

The grant of Performance Options and Performance Rights encourages Mr Paul Smith to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider that the Performance Options and Performance Rights intended for Mr Paul Smith represented by the grant of these Performance Options and Performance Rights are a cost effective and efficient means for the Company to remunerate Mr Paul Smith, as opposed to alternative forms of remuneration, such as the payment of additional cash compensation.

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of the Performance Options (in the case of Resolution 5) and the Performance Rights (in the case of Resolution 6) pursuant to the Appointment Letter do not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

As is its usual practice, ASX has imposed a requirement under Listing Rule 6.1 and Guidance Note 19 Performance Securities, that the Company obtain shareholder approval to the issue of the Performance Rights and Performance Options.

Resolutions 5 and 6 seek the required shareholder approval for the proposed issue of the Performance Options and Performance Rights under and for the purposes of the Listing Rules.

If Resolutions 5 and 6 are passed:

- the Company will be able to proceed with the issue of the Performance Options (if Resolution 5 is passed) and the Performance Rights (if Resolution 6 is passed) and the Company will issue up to 40 million Performance Options and 40 million Performance Rights to Mr Paul Smith (or his nominee); and
- the Performance Rights and Performance Options will be issued, however, there will be no change in the total number of Shares on issue, so existing Shareholders holdings will only be diluted on a fully diluted basis by 2.14%.⁶

In addition, the Performance Options (if Resolution 5 is passed) and the Performance Rights (if Resolution 6 is passed) will, upon issue, 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 5 is not passed, the Company will not be able to proceed with the issue of the Performance Options. If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Performance Rights. In either or both cases, the Company will need to look at alternative ways to remunerate Mr Smith in lieu of the proposed Performance Options and Performance Rights, which may be in the form of cash payments.

⁶ Assumes all Equity Securities (as defined in the Listing Rules) the subject of all Resolutions in this Notice are on issue, all Options and Performance Rights are exercised into Shares and no other Equity Securities are issued.

The following information in relation to the Performance Options and the Performance Rights to be issued is provided to Shareholders for the purposes of Listing Rule 7.3 and ASX Guidance Note 19:

- (a) the Company will issue up to 40 million Performance Options (if Resolution 5 is passed) and up to 40 million Performance Rights (if Resolution 6 is passed) to Mr Paul Smith (or his nominees);
- (c) as of the date of this Notice, Mr Smith does not hold any Equity Securities in the Company;
- (d) the Performance Options will be issued for no consideration and the Performance Rights will be issued for \$0.0001 each;
- (e) the Company will not make any loans to Mr Smith in relation to the acquisition of the Performance Rights or the Performance Options;
- (f) the material terms of the Appointment Letter pursuant to which the Performance Options and the Performance Rights are proposed to be issued is set out in section 1.4 above;
- (g) the terms of the Performance Options are set out in Annexure B and the terms of the Performance Rights are set out in Annexure C;
- (h) if the Performance Options are exercised, or the Performance Rights vest and are exercised, they can be redeemed for Shares. The Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (i) the Performance Options and the Performance Rights will be issued on completion of the Acquisition, which will occur 5 business days after satisfaction of the conditions precedent to the Acquisition or any other date that the parties agree, subject to it being no later than 3 months after the date of the Meeting;
- (j) the Performance Options and the Performance Rights are proposed to be issued to Mr Paul Smith (or his nominee) as part of his remuneration package in his role as General Manager Canada and are intended to incentivise the continued performance of Mr Smith and to align his interests with Shareholders, consistently with the strategic goals and targets of the Company;
- (k) the Company considers that the number of Performance Rights and Performance Options proposed to be issued is appropriate and equitable having regard to:
 - (i) the relevant vesting conditions for the Performance Rights and Performance Options are clearly articulated with reference to objective criteria that provides Shareholders with certainty as to the circumstances under which the vesting conditions will be met;
 - (ii) the number of Shares into which the Performance Rights and Performance Options will convert if the relevant vesting conditions are satisfied is fixed, which allows investors and analysts to readily understand and have reasonable certainty as to the impact on the Company's capital structure; and
 - (iii) the Performance Rights and Performance Options have expiry dates by which the relevant vesting conditions are to be achieved and, if the relevant vesting condition is not achieved by that date, the respective performance security will lapse; and
- (l) voting exclusions apply in respect of Resolutions 5 and 6 as set out in the Notice of Meeting.

GLOSSARY

\$ means Australian dollars.

Afro Mining means Afro Mining Pty Ltd (ACN 659 047 257).

Appointment Letter has the meaning given on page 2.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Capital Raising Condition has the meaning given on page 1.

Chair or Chairman means the individual elected to chair any meeting of the Company from time to time.

CMA means Continental Mining Australia Pty Ltd (ACN 624 222 368).

Company means Manhattan Corporation Limited ABN 61 123 156 089.

Options has the meaning given on page 7.

Consideration Shares has the meaning given on page 1.

Constitution means the Company's constitution, as amended from time to time.

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

Directors means the directors of the Company.

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

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Listing Rules means the ASX Listing Rules.

Meeting means the General Meeting convened by the Notice.

Notice or Notice of Meeting means this Notice of General Meeting.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Options has the meaning given on page 3.

Performance Rights has the meaning given on page 3.

Placement has the meaning given on page 2.

Proxy Form means the proxy form accompanying the Notice by way of email where the Shareholder has elected to receive notices by email, or the personalised proxy form accompanying the postcard circulated by way of post where the Shareholder has not elected to receive notices by email.

Resolution means a resolution contained in the Notice.

R-TEK means R-TEK Group Pty Ltd (ACN 654 982 135).

Shareholder means a member of the Company from time to time.

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

Acquisition Agreement has the meaning given on page 1.

Tranche 1 has the meaning given on page 2.

Tranche 1 Shares has the meaning given on page 2.

Tranche 2 has the meaning given on page 2.

Tranche 2 Shares has the meaning given on page 2.

ANNEXURE A – Terms of Options

- (a) **(Entitlement)**: Each Option entitles the Optionholder to subscribe for one Share upon the payment of the Exercise Price.
- (b) **(Exercise Price)**: 100,000,000 Options have an exercise price of \$0.01 and 100,000,000 Options have an exercise price of \$0.02 (collectively, **Exercise Price**).
- (c) **(Expiry)**: The Options will expire at 5:00pm, AWST on the date that is 3 years after the date of completion of the Acquisition (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Transferability)**: Subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws:
 - (i) the Options are not transferable within 12 months of their date of issue unless the transferee is a 'sophisticated investor' within the meaning of section 708(8) of the Corporations Act or a 'professional investor' within the meaning of section 708(11) of the Corporations Act and in each case who does not require disclosure for the sale offer of the Options; and
 - (ii) the Options shall be freely transferable from the date that is 12 months after their date of issue until their exercise or expiry.
- (e) **(Quotation)**: The Options will not be quoted and the Company will not be applying for Consideration quotation of the Options.
- (f) **(Exercise)**: An Option may be exercised by the holder of the Options at any time after Completion but before the Expiry Date by:
 - (i) lodging with the Company a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (ii) paying the funds for the aggregate Exercise Price for the number of Options being exercised.
- (g) **(Exercise Notice)**: An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**). The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 1 million Options must be exercised on each occasion.
- (h) **(Issue of Shares on exercise)**: Within 5 Business Days after the later of the following:
 - (i) receipt of an Exercise Notice;
 - (ii) when any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act ceases to be 'excluded information'; and
 - (iii) any necessary shareholder approvals for the issue of the Shares on exercise of the Options is obtained (if required),the Company will:
 - (iv) allot the applicable Shares to the Optionholder;
 - (v) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Options; and

- (vi) give to ASX a notice (known as a 'cleansing notice') under section 708A(5)(e) of the Corporations Act confirming that the Company is not withholding any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act.
- (i) **(Ranking of Shares):** All Shares allotted upon exercise of Options will upon allotment rank, from the date of allotment, pari passu in all respects with other issued fully paid Shares.
- (j) **(Participation Rights):** There are no participation rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in:
 - (i) any issue of securities by the Company; or
 - (ii) any dividend declared or paid by the Company.
- (k) **(Reorganisation):** In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (l) **(Lapse):** Unless exercised prior, the Options will lapse on the Expiry Date or, if earlier, upon the liquidation or dissolution of the Company.

ANNEXURE B – Terms of Performance Options

- (a) **(Entitlement):** Each Performance Option entitles the Optionholder to subscribe for one Share upon the payment of the Exercise Price.
- (b) **(Exercise Price):**
 - (i) 20,000,000 Performance Options exercisable at \$0.02 each; and
 - (ii) 20,000,000 Performance Options exercisable at \$0.04 each.
- (c) **(Expiry):** The Performance Options will expire at 5.00pm (AWST) on the earlier of the day that is three years after the date of issue of the Options or, in the case of any unvested Performance Options, the date on which the Optionholder ceases to be engaged for serviced by the Company in any capacity (**Expiry Date**). Any Performance Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Vesting Conditions):**
 - (i) 25% of the Performance Options will vest immediately upon issue;
 - (ii) 25% of the Performance Options will vest on Mr Paul Smith providing at least 12 months of continuous service to the Company; and
 - (iii) the remaining 50% of the Performance Options will vest on Mr Paul Smith providing at least 24 months of continuous service to the Company.
- (e) **(Transferability):** Subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws:
 - (i) the Performance Options are not transferable within 12 months of their date of issue unless the transferee is a 'sophisticated investor' within the meaning of section 708(8) of the Corporations Act or a 'professional investor' within the meaning of section 708(11) of the Corporations Act and in each case who does not require disclosure for the sale offer of the Options; and
 - (ii) the Performance Options shall be freely transferable from the date that is 12 months after their date of issue until their exercise or expiry.
- (f) **(Quotation):** The Performance Options will not be quoted and the Company will not be applying for quotation of the Options.
- (g) **(Exercise):** A Performance Option that has vested in accordance with paragraph (d) may be exercised by the holder of the Options at any time after Completion but before the Expiry Date by:
 - (i) lodging with the Company a written notice of exercise of Performance Options specifying the number of Performance Options being exercised (**Exercise Notice**); and
 - (ii) paying the funds for the aggregate Exercise Price for the number of Performance Options being exercised.
- (h) **(Exercise Notice):** An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of payment of the Exercise Price for each Performance Option being exercised in cleared funds (**Exercise Date**). The Performance Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 5 million Performance Options must be exercised on each occasion.
- (i) **(Issue of Shares on exercise):** Within 5 business days after the later of the following:

- (i) receipt of an Exercise Notice;
- (ii) when any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act ceases to be 'excluded information'; and
- (iii) any necessary shareholder approvals for the issue of the Shares on exercise of the Options is obtained (if required),

the Company will:

- (iv) allot the applicable Shares to the Performance Optionholder;
 - (v) if the Company is admitted to the official list of the ASX at the time, apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Performance Options; and
 - (vi) give to ASX a notice (known as a 'cleansing notice') under section 708A(5)(e) of the Corporations Act confirming that the Company is not withholding any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act.
- (j) **(Ranking of Shares):** All Shares allotted upon exercise of Performance Options will upon allotment rank, from the date of allotment, pari passu in all respects with other issued fully paid Shares.
 - (k) **(Participation Rights):** There are no participation rights or entitlements inherent in the Options and holders of the Performance Options will not be entitled to participate in:
 - (i) any issue of securities by the Company; or
 - (ii) any dividend declared or paid by the Company.
 - (l) **(Reorganisation):** In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Performance Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
 - (m) **(Lapse):** Unless exercised prior, the Performance Options will lapse on the Expiry Date or, if earlier, upon the liquidation or dissolution of the Company.

ANNEXURE C – Terms of Performance Rights

- (a) **(Vesting Conditions):** The Performance Rights shall be issued subject to the following vesting conditions:
- (i) 20,000,000 Performance Rights will each vest and automatically convert into one Share upon the Company announcing on the ASX Markets Announcement Platform a JORC Code 2012 compliant inferred mineral resource with a minimum tonnage of 5mt of at least 1% Li₂O (or equivalent) at the Project, as verified by an independent competent person under the JORC Code 2012 **(Vesting Condition A)**; and
 - (ii) 20,000,000 Performance Rights will each vest and automatically convert into one Share upon the Company announcing on the ASX Markets Announcement Platform a JORC Code 2012 compliant inferred mineral resource with a minimum tonnage of 10mt of at least 1% Li₂O (or equivalent) at the Project, as verified by an independent competent person under the JORC Code 2012 **(Vesting Condition B)**,

in each case, provided that the holder is employed or engaged by the Company in any capacity on the day the relevant ASX announcement is made (collectively, Vesting Conditions A and B are called the **Vesting Conditions**).

- (b) **(Entitlement):** Subject to and conditional upon the satisfaction or waiver by the Board of the Vesting Conditions applicable to the Performance Rights and the exercise of those vested Performance Rights by the holder, each Performance Right confers on the holder an entitlement to be issued one Share at no cost on or before the Expiry Date.
- (c) **(Expiry):** The Performance Rights shall expire at 5.00pm (AWST) on the earlier of:
- (i) the day which is three years after the date of issue of the Performance Rights; or
 - (ii) the date on which the holder ceases to be engaged for serviced by the Company in any capacity,
- (Expiry Date).**
- (d) **(Vesting)** The Performance Rights will vest automatically and immediately on the day which is the earlier of the following:
- (i) in relation to each Performance Right upon the satisfaction or waiver by the Board of the applicable Vesting Condition; or
 - (ii) where a Change of Control Event (as defined herein) has occurred (regardless of whether the Vesting Conditions have been satisfied or waived by the Board at that time),

(Vesting Date).

Following the relevant Vesting Date and once the holder has exercised the vested Performance Rights, the holder will be issued one Share for no consideration for each Performance Right.

Where the Vesting Conditions applicable to the Performance Rights have been satisfied or waived by the Board, the Company must issue, or transfer, the number of Shares which the holder is entitled to acquire upon satisfaction or waiver by the Board of the relevant Vesting Condition (and exercise of those Performance Rights by the holder) for the relevant number of Performance Rights held.

Where the Vesting Conditions applicable to the Performance Rights have not satisfied or waived by the Board, or the holder has not exercised those vested Performance Rights, in each case by the Expiry Date, those Performance Rights will automatically expire.

- (e) **(No participating rights)**: There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Company shareholders prior to the Expiry Date.
- (f) **(Holding certificate)**: On issue of the Performance Rights a holding statement/certificate will be issued by the Company for the Performance Rights.
- (g) **(Quotation)**: The Performance Rights will not be listed on the ASX. However, the Company must:
 - (i) issue the Shares pursuant to the vesting and exercise of the Performance Rights; and
 - (ii) apply for official quotation on ASX of Shares issued pursuant to the vesting and exercise of the Performance Rights,within five (5) business days after the satisfaction or waiver by the Board of the relevant Vesting Condition applicable to the Performance Rights and the exercise of those vested Performance Rights by the holder.
- (h) **(Ranking)**: All Shares issued upon vesting and exercise of the Performance Rights will rank pari passu in all respects with the Company's then existing Shares.
- (i) **(Reorganisation)**: If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the holder who holds such Performance Rights other than in relation to the Vesting Conditions will be varied, including an adjustment to the number of Performance Rights, in accordance with the ASX Listing Rules that apply to the reorganisation.
- (j) **(No rights)**: A holder who holds Performance Rights is not entitled by virtue of holding those Performance Rights to:
 - (i) notice of, or to vote or attend at, a meeting of Company shareholders; or
 - (ii) receive any dividends declared by the Company;
 - (iii) any right to a return of capital, whether in winding up of the Company, upon a reduction of capital in the Company or otherwise;
 - (iv) participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues;
 - (v) participate in any new issues of securities offered to Company shareholders during the term of the Performance Rights; or
 - (vi) subject to the Board's discretion, cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,unless and until the relevant Vesting Condition is satisfied, the holder has exercised the relevant vested Performance Rights and the holder holds Shares.
- (k) **(No adjustment)**: A holder will not be entitled to any adjustment to the number of Shares they are entitled to or adjustment to the Vesting Conditions as a result of the Company undertaking a rights issue.
- (l) **(Change of Control)**: For the purposes of these terms and conditions, a "Change of Control Event" occurs if:
 - (i) the Company announces that the Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or

return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;

(ii) a takeover bid (as defined under section 9 of the Corporations Act, **Takeover Bid**):

(A) is announced;

(B) has become unconditional; and

(C) the person making the Takeover Bid has a relevant interest (as defined under section 9 of the Corporations Act, Relevant Interest) in fifty percent (50%) or more of the issued Shares;
or

(iii) any person acquires a Relevant Interest in fifty and one-tenth percent (50.1%) or more of the issued Shares by any other means.

(m) **(No property)**: A holder's Performance Rights are personal contractual rights only and do not constitute any form of property.

(n) **(Transferability)**: Performance Rights are not transferable.