

Notice of General Meeting and Explanatory Memorandum

Torque Metals Limited
ACN 621 122 905

Friday 28 April 2023

10.00 am WST

The Celtic Club, 48 Ord Street, West Perth, WA 6005

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on 0421 977 617.



ASX:TOR
torquemetals.com

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the General Meeting of Shareholders of Torque Metals Limited (ACN 621 122 905) will be held at The Celtic Club, 48 Ord Street, West Perth WA 6005 on Friday, 28 April 2023 commencing at 10.00 am WST.

The Explanatory Memorandum to this Notice provides additional information on matter to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 at 10.00 am WST on Wednesday, 26 April 2023

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Re-election of Director – Mr Andrew Woskett

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

“That, for the purpose of clause 11.4 of the Constitution and for all other purposes, Mr Andrew Woskett, a Director who was appointed to fill a casual vacancy on 1 March 2023, retires, and being eligible, is re-elected as a Director.”

2. Resolutions 2(a) and 2(b) – Ratification of Prior Issue of Tranche 1 Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

(a) 10,672,778 Shares issued under Listing Rule 7.1;

(b) 6,845,741 Shares issued under Listing Rule 7.1A;

on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of:

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

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolutions, in accordance with directions given to the proxy or attorney to vote on the Resolutions in that way;

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

3. Resolution 3 – Approval of Share Issue – Tranche 2 Shares

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

“That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 800,000 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

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

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 9,159,260 Placement Options, free attaching to the Tranche 1 Shares and Tranche 2 Shares to non-related parties on the basis of one (1) Placement Option for every two (2) Placement Shares, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

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

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (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 – Approval for Director Participation in the Placement

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to: 200,000 Tranche 2 Shares and 100,000 free attaching Placement Options to Mr Antony Leslie Lofthouse (and/or his nominees) on the terms set out in the Explanatory Memorandum.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Antony Leslie Lofthouse (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that persons or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (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 – Approval to issue Lead Manager Options

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

That, for the purposes of ASX Listing Rule 7.1 and for all purposes, approval is given for the Company to issue up to 4,629,630 Options to Euroz Hartleys Limited (and/or their 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 this Resolution by or on behalf of:

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

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

- (d) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (e) 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
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (iii) 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
 - (iv) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. Resolution 7 – Approval of Employee Securities Incentive Plan

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

“That, for the purposes of Listing Rule 7.2 Exception 13(b) and for all other purposes, Shareholders approve:

- (a) *the establishment of an employee securities incentive plan, to be called the “TOR Employee Securities Incentive Plan” (**Plan**); and*
- (b) *the issue of up to 15,000,000 securities under the Plan,*

in accordance with the terms of the Plan described 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 eligible to participate in the Plan; or
- (b) an Associate of that person or those persons.

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

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

Voting Prohibition Statement

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

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

However, the above prohibition does not apply if:

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

8. Resolution 8(a) and 8(b) – Issue of Performance Rights to Directors under the Plan

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

“That, subject to and conditional on the passing of Resolution 7, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue:

- (a) *2,000,000 Performance Rights to Mr Andrew Alexander Woskett (and/or their nominee/s); and*
- (b) *2,000,000 Performance Rights to Mr Cristian Moreno (and/or their nominee/s),*
on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of:

- (a) Resolution 8(a) by or on behalf of:
 - (i) the person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (namely, Mr Andrew Alexander Woskett); or
 - (ii) any Associate of that person or those persons.
- (b) Resolution 8(b) by or on behalf of:
 - (i) the person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (namely, Mr Cristian Moreno); or
 - (ii) any Associate of that person or those persons.

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

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

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on these Resolution must not be cast (in any capacity) by or on behalf of a related party to whom the Resolutions would permit a financial benefit to be given or an associate of such a related party (**Resolutions 8(a) and 8(b) Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolutions and it is not cast on behalf of a Resolutions 8(a) and 8(b) Excluded Party.

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

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

Provided the Chair is not a Resolutions 8(a) and 8(b) Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and

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

9. Resolution 9 – Amendments to Constitution

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

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes approval is given for the Company to amend its Constitution in the manner set out in the Explanatory Memorandum with effect from close of the Meeting.”

Dated 30 March 2023

BY ORDER OF THE BOARD

Neil W. McKay
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 1, The Celtic Club, 48 Ord Street, West Perth WA 6005 on Friday, 28 April 2023 commencing at 10:00am (WST).

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

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 Proxies

A Proxy Form is attached to the 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 participate in the Meeting via virtual means or attend in person, and are encouraged to lodge a directed Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting via virtual means or voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend via virtual means/ or in person 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 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.

Shareholders and their proxies should be aware that:

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

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA, on the question that the resolution be passed; and
- (d) either of the following applies:
 - (i) if a record of attendance is made for the meeting - the proxy is not recorded as attending;
 - (ii) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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

2.2 Proxy Holders and Voting Instructions

If the Chair is appointed as your proxy and the Chair is not directed how to vote, you are authorising the Chair to cast your undirected vote on all proposed resolutions.

If a member of the Company's Key Management Personnel, or a Closely Related Party of such member, is appointed as your proxy, they will not be able to vote your proxy on Resolutions 7, 8(a) and 8(b).

If you intend to appoint a member of the Company's Key Management Personnel, or a Closely Related Party of such member, or the Chair, as your proxy, you are encouraged to direct them how to vote on Resolutions 7, 8(a) and 8(b), by marking "For", "Against" or "Abstain" for each of those resolutions.

2.3 Submit your Proxy Vote

2.3.1 Online

Vote online at www.advancedshare.com.au/investor-login and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.3.2 By Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

IN PERSON:	Advanced Share Registry Limited
BY MAIL:	110 Stirling Hwy, Nedlands WA 6009
BY FAX:	Advanced Share Registry Limited
BY EMAIL:	110 Stirling Hwy, Nedlands WA 6009; or
BY MOBILE:	PO Box 1156, Nedlands WA 6909

3. Resolution 1 – Re-election of Director – Mr Andrew Woskett

3.1 General

Clause 11.4(a) of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the following general meeting of the Company and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Andrew Woskett (**Mr Woskett**) having been appointed to fill a casual vacancy on 1 March 2023 will retire in accordance with clause 11.4(b) of the Constitution and being eligible seeks re-election.

3.2 Qualifications and other material directorships

Mr Woskett is a highly respected senior executive with over 40 years of project and corporate experience in the resources industry. Mr Woskett brings a wealth of experience in bringing assets to development, having been responsible for evaluation, definition, promotion, financing and management of multiple resource projects in gold, base metals, nickel, iron ore and coal.

Mr Woskett held direct development responsibility for a number of landmark Australian gold mines, including the Kalgoorlie Super Pit, Kanowna Belle and Marymia gold mines. He was directly responsible for multiple expansions of the Bougainville copper-gold mine and advised on development strategies for WMC's proposed open pit expansion of the Olympic Dam Mine.

Mr Woskett was previously Managing Director of Demetallica (ASX: DRM) where he oversaw the discovery and exploration of the Jericho copper-gold deposit, leading to Demetallica's all-scrip takeover in late 2022 by AIC Mines (ASX: A1M). Immediately prior to this role, Mr Woskett was Managing Director Minotaur Exploration (ASX: MEP) which was acquired by off-market takeover by Andromeda Metals, providing the catalyst for the formation of Demetallica.

Mr Woskett is a Fellow of the Australasian Institute of Mining and Metallurgy and has an engineering degree and master's degree in Commercial Law. Mr Woskett's extensive skill set in developing gold projects in Western Australia, as well as his track record of leading corporate teams and managing public companies, further bolsters Torque's Board and adds significant experience to drive the Company to its next phase of growth.

3.3 Independence

If re-elected, the Board considers Mr Woskett will be an Independent Director.

3.4 Board Recommendations

The Board (excluding Mr Woskett) recommends that Shareholders vote in favour of Resolution 1. The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 1.

4. Resolution 2 – Ratification of Prior Issue of Tranche 1 Shares

4.1 Background

4.1.1 Placement

On 1 March 2023, the Company announced it had received firm commitments in respect of a placement to raise \$2,500,000 (**Placement**).

The Placement is comprised of a total of 18,518,519 new Shares at an issue price of \$0.135 per Share (**Placement Shares**) with 9,259,260 free attaching unlisted Options in the Company on a 1:2 basis (exercisable at \$0.25 on or before the date that is three (3) years after the issue date) (**Placement Options**).

The Placement Shares were and will be issued in two separate tranches. A total of 17,518,519 Placement Shares (**Tranche 1 Shares**) were issued to non-related Parties of the Company pursuant to its existing capacity available under Listing Rules 7.1 and 7.1A as follows:

- (a) 10,672,778 Tranche 1 Shares were issued pursuant to existing capacity available under Listing Rule 7.1; and
- (b) 6,845,741 Tranche 1 Shares were issued pursuant to existing capacity available under Listing Rule 7.1A.

The remaining 1,000,000 Placement Shares are to be issued as part of the Tranche 2 of the Placement (**Tranche 2 Shares**). 200,000 of the Tranche 2 Shares and subsequently 100,000 unlisted Placement Options (collectively, the **Director Securities**) are to be issued to Antony

Leslie Lofthouse (**Mr Lofthouse**), subject to Shareholder approval (the subject of Resolution 5).

The Placement Options have not yet been issued by the Company and will be issued subject to Shareholder approval (the subject of Resolution 4).

4.1.2 Lead Manager Mandate

The Placement was managed by Euroz Hartleys Limited (ABN 33 104 195 057) (**Lead Manager**), who pursuant to the terms of a capital raising agreement with the Company (**Lead Manager Mandate**) will receive the following fees in respect of the Placement:

- (a) (**Advisory Fee**): The Company will pay the Lead Manager an advisory cash fee of \$5,000 per month.
- (b) (**Initial Placement Fees**): The Company will pay the Lead Manager a cash fee comprised of 6% of the proceeds from the Placement.
- (c) (**Lead Manager Options**): The Lead Manager (or its nominee(s)) are also entitled to unlisted Options on a basis of one (1) for every four (4) Placement Shares to acquire Shares in the capital of the Company subject to shareholder approval. Resolution 6 seeks approval for the issue of the Lead Manager Options.

In the event of any future raising or transaction during the term of the Lead Manager Mandate, the Company will also pay the following fees:

- (d) (**Capital Raising Fees**): 6% of the total funds raised under any future raising.
- (e) (**M&A Fees**): If a Merger and Acquisition Transaction (**M&A Transaction**) is completed or the Company announces, or enters into an agreement in respect of, an M&A Transaction that is subsequently completed, the Company will pay the Lead Manager a cash fee equal to 2.0% of the Transaction Value of the M&A Transaction. Further, for the period which the Company is actively responding to an M&A Transaction, the Advisory Fee will increase to \$20,000 per month.

The Lead Manager Mandate otherwise contains terms considered standard for an agreement of this nature.

4.1.3 Related Party Participation

The Company notes that Mr Lofthouse (and/or their nominees) intends to subscribe for a total of 200,000 Tranche 2 Shares and 100,000 free-attaching Placement Options which is subject to Shareholder approval. Accordingly, the Company is seeking prior Shareholder approval pursuant to Listing Rule 10.11 in respect of the Mr Lofthouse participation in the Placement and subsequent issue of the Director Securities consistent with Resolution 5 of this Notice.

4.1.4 Purpose and Use of Funds

Funds raised pursuant to the Placement will be applied towards working capital and enabling the Company to extend its current drilling campaign, which has experienced considerable success in identifying high grade gold mineralisation within the Paris Gold Camp.

The Company has sourced a DD/RC rig with >200m capacity for follow-up drilling at multiple prospects in the Paris Project, as warranted by its latest drilling results.

4.2 ASX Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstances of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The issue of the Tranche 1 Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the shareholders approve the 10% placement facility. The 10% placement facility is in addition to the company's 15% placement capacity under Listing Rule 7.1.

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 or Listing Rule 7.1A and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under those rules.

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 or Listing Rule 7.1A. To this end, Resolutions 2(a) and 2(b) seeks Shareholder approval for the ratification of the issue of:

- (a) 10,672,778 Tranche 1 Shares which were issued under Listing Rule 7.1; and
 - (b) 6,845,741 Tranche 1 Shares which were issued under Listing Rule 7.1A,
- under and for the purpose of Listing Rule 7.4.

4.3 Technical information required by Listing Rule 14.1A

If Resolutions 2(a) and 2(b) are passed, the Tranche 1 Shares issued will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolutions 2(a) and 2(b) are not passed, the Tranche 1 Shares issued will be included in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

4.4 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 2(a) and 2(b):

- (a) the Tranche 1 Shares were issued to sophisticated and professional investors who are clients of the Lead Manager, none of whom are related parties, members of the Key Management Personnel, a substantial holder or an advisor to the Company (or an associate of any of these persons) holding more than 1% of the Company's current issued capital;
- (b) the Company issued:

- (i) 10,672,778 Tranche 1 Shares under Listing Rule 7.1; and
- (ii) 6,845,741 Tranche 1 Shares under Listing Rule 7.1A;
- (c) the Tranche 1 Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the date on which the Tranche 1 Shares were issued was 9 March 2023;
- (e) the issue price of the Tranche 1 Shares under the Placement was \$0.135 per Tranche 1 Share;
- (f) the purpose of the issue of the Tranche 1 Shares is to raise funds for the purposes detailed in Section 4.1.4 above;
- (g) the Tranche 1 Shares were not issued pursuant to an agreement; and
- (h) a voting exclusion statement is included in Resolutions 2(a) and 2(b) of the Notice.

4.5 Board Recommendation

The Directors believe that Resolutions 2(a) and 2(b) are in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.

5. Resolution 3 – Approval of Share Issue – Tranche 2 Shares

5.1 General

As outlined in Section 3.1 above, subject to the Company obtaining prior Shareholder approval, the Company intends to issue a further 800,000 Tranche 2 Shares to unrelated parties at an issue price of \$0.135 per share to raise \$108,000 issued under the Placement.

Further details regarding the Placement are specified in Section 3.1 above.

5.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

5.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Tranche 2 Shares. In addition, the issue of the Tranche 2 Shares will be excluded in calculating the Company's 15% limit 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 issue date.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Shares.

5.4 Technical Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the maximum number of Tranche 2 Shares to be issued under Resolution 3 is up to 800,000;

- (b) the issue price is \$0.135 per Tranche 2 Share;
- (c) the Tranche 2 Shares to be issued will all be fully paid ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the date the Tranche 2 Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue will occur on the same date;
- (e) the Tranche 2 Shares will be allotted and issued to Placement Participants who are clients and contacts of the Lead Manager. None of these Placement Participants are related parties of the Company, substantial holders or Key Management Personnel;
- (f) the funds raised from this issue of the Tranche 2 Shares are used for the purposes set out in section 4.1.4;
- (g) the Tranche 2 Shares were not issued under an agreement;
- (h) the Tranche 2 Shares are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is set out in the Notice.

5.5 Board Recommendation

The Directors believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

6. Resolution 4 – Approval to Issue Placement Options

6.1 General

Resolution 4 seeks Shareholder approval for 9,159,260 free-attaching Placement Options to be issued to non-related parties of the Placement Participants (**Non-Related Participants**).

Further details of the Placement are set out in Section 3.1 above.

6.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

6.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of 9,159,260 Placement Options to the Non-Related Participants. In addition, the issue of the Placement Options will be excluded in calculating the Company's 15% limit 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 issue date.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of 9,159,260 Placement Options to the Non-Related Placement Participants.

6.4 Technical Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) 9,159,260 Placement Options will be issued to the Non-Related Participants, none of whom are related parties, members of the Key Management Personnel, a substantial holder or an advisor to the Company (or an associate of any of these persons) and issued more than 1% of the Company's current issued capital. The Non-Related Participants were identified through a book build process, which involved the Lead Manager seeking expressions of interest to participate in the Placement;
- (b) a total of 9,259,260 Placement Options (to both related and Non-Related Participants) will be issued in connection with the Placement. The Placement Options are free-attaching to the Placement Shares on a 2:1 basis;
- (c) the terms and conditions of the Placement Options are set out in Schedule 2;
- (d) the Placement Options will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue will occur on the same date;
- (e) the issue price of the Placement Options will be nil as they are being issued as free-attaching to the Placement Shares on a 2:1 basis. The Company has not and will not receive any other consideration for the issue of the Placement Options;
- (f) the purpose of the issue of the Placement Options is to entice investors given they are free-attaching to the Placement Shares. The purpose of the Placement and the funds raised from the Placement will be used for the purposes specified in section 4.1.4 above;
- (g) the Placement Options will not be issued under an agreement;
- (h) the Placement Options are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 4 of this Notice.

6.5 Board Recommendation

The Board believes this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution 4.

7. Resolution 5 – Approval for Director Participation in the Placement

7.1 General

Please refer to Section 3.1 for an overview of the Placement and the proposed subscription for Director Securities by Mr Lofthouse.

7.2 Chapter 2E of the Corporations Act

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

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

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

Mr Lofthouse's subscription for the Director Securities under the Placement will result in the giving of a financial benefit, and Mr Lofthouse is a Related Party of the Company by virtue of being a Director of the Company.

The non-participating directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Securities because the Director Securities will be issued to Mr Lofthouse (and/or their nominees) on the same terms as the Placement Shares and Placement Options issued to non-Related Parties who participate in the Placement. As such the giving of the financial benefit in these circumstances is considered to be on arm's length commercial terms.

7.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with issuing the Director Securities to Mr Lofthouse as part of the Placement. This will occur within one month after the date of the Meeting (or such later date as permitted by an ASX waiver or modification of the Listing Rules).

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Director Securities to Mr Lofthouse.

7.4 Technical Information required by ASX Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

As Mr Lofthouse participation in the Placement involves the issue of Shares and Options to a Related Party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of Mr Lofthouse that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.5 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Mr Lofthouse's subscription for the Director Securities in the Placement:

- (a) the following will be issued to Mr Lofthouse (and/or his nominee(s));
 - (i) 200,000 Tranche 2 Shares;
 - (ii) 100,000 unlisted Placement Options on the terms and conditions set out in Schedule 2; or
- (b) Mr Lofthouse falls under Listing Rule 10.11.1 as a Related Party because he is a Director of the Company;
- (c) under Resolution 5, the maximum number of Securities to be issued to Mr Lofthouse (and/or his nominee) is 200,000 fully paid ordinary Shares and 100,000 unlisted Placement Options;
- (d) the Director Securities issued under Resolution 5 will be issued no later than 1 month after the date of the Meeting (or such other date as permitted by ASX Waiver of the Listing Rules) and it is intended that the issue will occur on the same date;
- (e) the issue price will be \$0.135 per Share, being the same issue price as all other Shares issued by the Company under the Placement and the issue price of the Options will be nil as they are being issued as free attaching to the Placement Shares on a 2:1 basis. The Company has not and will not receive any other consideration for the issue of the Placement Options;
- (f) the purpose of the issue and the use of the funds raised under the Placement will be used for the purposes set out in Section 4.1.4;
- (g) the issue of the Director Securities to Mr Lofthouse is not intended to remunerate or incentivise the participants;
- (h) the issue of the Director Securities under the Placement is not in accordance with any agreement; and
- (i) a voting exclusion statement is included in this Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party participation in the Placement as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Securities to the Related Party under this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

7.6 Board Recommendation

The Board (other than Mr Lofthouse) believes this Resolution is in the best interest of the Company and its Shareholders and recommends that the Shareholders vote in favour of this Resolution 5.

8. Resolution 6 – Approval to issue Lead Manager Options

8.1 General

Refer to Section 4.1 above for a summary of the Placement and the Company's engagement of the Lead Manager pursuant to the Lead Manager Mandate.

Resolution 6 seeks Shareholder approval for the issue 4,629,630 Options to the Lead Manager (and/or their nominees) (**Lead Manager Options**). The purpose of offering these funds is not to raise funds, (given the Lead Manager Options will be issued at a nominal price

of \$0.00001 each) but as part consideration for the services provided by the Lead Manager under the Lead Manager Mandate.

8.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

8.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Lead Manager Options to the Lead Manager (and/or their nominees). In addition, the issue of the Lead Manager Options will be excluded in calculating the Company's 15% limit 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 issue date.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options to the Lead Manager.

8.4 Technical Information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the Lead Manager Options will be issued to the Lead Manager (and/or its nominees);
- (b) the maximum number of Options to be issued to the Lead Manager (and/or its nominee) is 4,629,630 Options;
- (c) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur on the same date, being the completion of the Placement;
- (d) the Lead Manager Options will be issued for nominal cash consideration of \$0.00001 each, as part of the consideration for the services provided by the Lead Manager in respect of the Placement and services under the Mandate. Accordingly, no material funds will be raised from the issue of the Lead Manager Options;
- (e) the Lead Manager Options will be issued on the terms and conditions specified in Schedule 2;
- (f) the issue of the Lead Manager Options are issued pursuant to the Lead Manager Mandate, the key terms of which are set out in Section 4.1.2;
- (g) the Lead Manager Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included for Resolution 6 of the Notice.

8.5 Board Recommendation

The Directors believe Resolution 6 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

9. Resolution 7 – Approval of Employee Securities Incentive Plan

9.1 General

The Company considers that it is desirable to adopt an updated employee incentive scheme to be called the “TOR Employee Securities Incentive Plan” (**Plan**).

The Plan is intended to provide an opportunity to eligible participants to participate in the Company’s future. Further, the Plan acts as mechanism to ensure the interests of Shareholders and the management and employees of the Company are aligned.

Resolution 7 seeks Shareholder approval for the adoption of the Plan in accordance with Listing Rule 7.2 exception 13(b).

A Summary of the Plan is set out in Schedule 3.

The Plan incorporates the recent amendments to the Corporations Act for employee share schemes (**New Legislation**)

9.2 Summary of New Legislation

The *Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022* (Cth) introduced a new Division 1A into Part 7.12 of the Corporations Act in relation to employee share schemes (**New Rules**). The legislation came into effect on 1 October 2022.

The New Rules have replaced ASIC Class Order [CO 14/1000] and ASIC Class Order [CO 14/1001] (together, the **Class Orders**).

A summary of the key changes applicable to the Company under the New Rules are set out below.

9.2.1 Expanded Eligibility

Class Order relief is only available for issues to directors, full time and part time employees and casual employees or contractors that are 40% or more full time equivalent.

Under the New Rules, an offer may only be made to specified “primary participants” (being directors, employees and service providers, with no minimum requirements of hours of service provided) or certain related persons of a primary participant (including a spouse, parent, child or sibling of the primary participant; controlled bodies corporate of the primary participant or bodies corporate that are trustees of the primary participant’s self-managed superannuation fund).

9.2.2 Issue cap

The Class Orders provide for an issue cap of 5% of a listed entity’s fully paid shares over a rolling period of 3 years (irrespective of whether monetary consideration is required).

Under the New Rules, there is no cap on issues made for no monetary consideration. Caps only apply to issues made for monetary consideration (being the cap set out in the company’s constitution or if there is no such cap in the constitution, then 5% for listed entities unless a higher cap is specified in the relevant regulations (if any)).

Further, offers of eligible interests to participants under an employee securities incentive plan which would not ordinarily require disclosure, such as offers to senior managers or small-scale offerings are not required to comply with the issue cap.

9.2.3 Disclosure requirements

The Class Order does not distinguish between offers for monetary consideration and those without, with the same disclosure requirements for both offers.

Under the New Rules, offers made for no monetary consideration do not have any specific disclosure requirements. In the case of offers made for monetary consideration, an offer document is required (with specific disclosure requirements) and participants cannot acquire their interests until 14 days after receiving the necessary offer disclosure from the entity.

9.2.4 Quotation and suspension requirements

Class Order relief is only available where an entity meets the minimum quotation period of 3 months prior to making an offer of eligible interests. In addition, relief is prohibited if an entity is suspended from quotation for over 5 days in the preceding 12-month period.

Under the New Rules, listed entities can offer eligible interests without first meeting any minimum quotation period, and regardless of any suspensions to the trading of securities.

9.2.5 On-sale relief

The Class Order provides relief from the on-sale provisions for securities issued under the Class Order.

Pursuant to the New Rules, listed entities must issue a cleansing notice to ensure that any Shares issued (including following the exercise of any options and performance rights) may be on-sold within 12 months of issue.

9.2.6 Criminal offences

A number of new offences created under the New Rules, including misleading and deceptive statement offences and offences relating to holding participants' money. In addition, regulatory relief can be revoked if any of the below are breached:

- (a) compliance with the monetary cap;
- (b) compliance with the issue cap; and
- (c) providing disclosure documents at the required time.

9.3 Regulatory requirements and Listing Rules 7.1 and 7.2, exception 13(b)

Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the Plan. However, Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the Listing Rules 7.1 and 7.1A on the number of securities that may be issued without Shareholder Approval. Listing Rule 7.2 exception 13(b) provides that Listing Rules 7.1 and 7.1A do not apply to an issue of securities under an employee incentive scheme that has been approved by Shareholders, where the issue of securities is within 3 years from that date of Shareholder approval of the issue of securities under the employee incentive scheme.

The Plan participation is limited to Directors, employees and service providers of the Company. If an issue is to be made to Directors, then separate Shareholder approval will need to be obtained.

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

- (a) a summary of the key terms of the Plan is set out in Schedule 3.
- (b) as this is a new plan being put to Shareholders, no Securities have been issued under it to date. Going forward, the Company can no longer issue Securities under its Existing Plan. Instead, the Company intends to issue Securities under the Plan which is the subject of this Resolution 7 and includes new terms and conditions required by the New Rules which replaced the previous relief provided by the Class Orders;
- (c) the Company is seeking Shareholder approval to adopt the Plan to include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme); and
- (d) a maximum of 15,000,000 Securities would be available to be issued under the Plan if approved by Shareholders (representing approximately 10-15% of the number of Shares on issue as at the date of this Notice). This maximum number is not intended to be a prediction of the actual number of Securities to be issued under the Plan, but simply a maximum number for the purposes of setting a ceiling on the number of Securities to be issued under the Plan for the purposes of Listing Rule 7.2, exception 13(b). In any event, no Securities will be issued if to do so would contravene any applicable laws, including the issue cap under the New Rules which applies to issues for monetary consideration (refer to Section 8.3(b) above).

9.4 Technical information required by Listing Rule 14.1A

The passing of Resolution 7 will allow the Company to issue securities for the benefit of participants of the Plan whilst preserving the Company's placement limits for issuing securities and provide flexibility in the manner in which the Plan is managed.

If Resolution 7 is not passed, the Company may still issue securities to key personnel other than Directors, however those securities will count towards the Company's 15% placement capacity under Listing Rule 7.1.

9.5 Voting Exclusion Statement

A Voting Exclusion applies to this Resolution.

9.6 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 7. The Chair intends to vote all undirected Proxies in favour of Resolution 7.

10. Resolutions 8(a) and 8(b) – Issue of Performance Rights to Directors under the Plan

10.1 General

Resolutions 8(a) and 8(b) seek Shareholder approval for the issue of a total of 4,000,000 Performance Rights, as follows:

- (a) 2,000,000 Performance Rights to be issued to Mr Woskett (and/or his nominees) comprising:
 - (i) 1,000,000 Class A Performance Rights – with a conversion milestone upon the VWAP of the Company's Shares over a consecutive period of 20 trading days being not less than \$0.40; and

- (ii) 1,000,000 Class B Performance Rights – with a conversion milestone upon the Company delineating a JORC 2012 Compliant Mineral Resource of not less than 250,000oz of Au; and
- (b) 2,000,000 Performance Rights to be issued to Mr Moreno (and/or his nominee) comprising:
 - (i) 1,000,000 Class A Performance Rights – with a conversion milestone upon the VWAP of the Company's Shares over a consecutive period of 20 trading days being not less than \$0.40; and
 - (ii) 1,000,000 Class B Performance Rights – with a conversion milestone upon the Company delineating a JORC 2012 Compliant Mineral Resource of not less than 250,000oz of Au,

(together, the **Related Party Performance Rights**).

The Related Party Performance Rights are being issued as part of their remuneration and to incentivise the Directors of the Company in their performances of future services.

10.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Related Party Performance Rights constitutes giving a financial benefit and Mr Woskett and Mr Moreno are related parties of the Company by virtue of being Directors of the Company.

The Directors (other than Mr Woskett and Mr Moreno who have a material personal interest in the Resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Related Party Performance Rights because the Related Party Performance Rights are to be issued under an exception as contemplated by section 211 of the Corporations Act as it was reasonable remuneration for an officer or employee of the Company, having regard to Mr Woskett's and Mr Moreno's total remuneration package, compared with similar arrangements in the market.

10.3 Listing Rule 10.14

Listing Rule 10.14 provides that shareholder approval must be obtained where the Company issues, or agrees to issue, securities under an employee incentive scheme to a Director of the Company, an Associate of the Director, or a person whose relationship with the Company, Director or Associate of the Director is, in ASX's opinion, such that approval should be obtained.

The issue of the Related Party Performance Rights falls within Listing Rule 10.14.1 as the Company intends to issue the Related Party Performance Rights under the Company's Plan. Accordingly, the issue of the Related Party Performance Rights requires the approval of Shareholders under Listing Rules 10.14.

Resolutions 8(a) and 8(b) seek the required Shareholder approval for the issue of the Related Party performance Rights to the Directors under and for the purposes of Listing Rule 10.14.

10.4 Technical information required by Listing Rule 14.1A

If Resolutions 8(a) and 8(b) are passed, the Company will be able to proceed with the issue of the Related Party Performance Rights to the Directors within one (1) month after the date of the Meeting (or such later date as permitted by an ASX waiver or modification of the Listing Rules).

If Resolutions 8(a) and 8(b) are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Directors, and the Company may consider alternative forms of remuneration in lieu of such issue.

10.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 8(a) and 8(b) for the purposes of issuing the Related Party Performance Rights pursuant to Listing Rule 10.14:

- (a) the Related Party Performance Rights will be issued to the following current Directors of the Company, Mr Woskett and Mr Moreno;
- (b) each of Mr Woskett and Mr Moreno fall within the category of Listing Rule 10.14.1 by virtue of being Directors of the Company;
- (c) a total of 4,000,000 Performance Rights will be issued as follows:
 - (i) 2,000,000 Performance Rights to be issued to Mr Woskett (and/or his nominees) comprising:
 - (A) 1,000,000 Class A Performance Rights – with a conversion milestone upon the VWAP of the Company’s Shares over a consecutive period of 20 trading days being not less than \$0.40; and
 - (B) 1,000,000 Class B Performance Rights – with a conversion milestone upon the Company delineating a JORC 2012 Compliant Mineral Resource of not less than 250,000oz of Au; and
 - (ii) 2,000,000 Performance Rights to be issued to Mr Moreno (and/or his nominee) comprising:
 - (A) 1,000,000 Class A Performance Rights – with a conversion milestone upon the VWAP of the Company’s Shares over a consecutive period of 20 trading days being not less than \$0.40; and
 - (B) 1,000,000 Class B Performance Rights – with a conversion milestone upon the Company delineating a JORC 2012 Compliant Mineral Resource of not less than 250,000oz of Au;

- (d) Details of the Directors' current total remuneration package is set out below:

Name	Total Remuneration of Directors for the 2022 financial year \$ ¹	Current Financial Year \$ ¹ 9 months ending 31 March 2023
Andrew Alexander Woskett	\$nil	\$5,525
Cristian Moreno ²	\$118,000 ³	\$169,434 ⁴

Notes:

1. Includes annual leave, superannuation, bonuses and other benefits.
 2. Mr Moreno was appointed Managing Director pursuant to the ASX Announcement made by the Company on 10 October 2022.
 3. Mr Moreno received \$36,667 in his capacity as CEO and \$81,333 as an employee of the Company.
 4. Mr Moreno has received a total of \$95,767 as Managing Director of the Company and received \$73,667 for his role as CEO of the Company.
- (e) no Securities have previously been issued to Mr Woskett and Mr Moreno under the Plan;
- (f) a summary of the material terms of the Related Party Performance Rights are set out in Schedule 4;
- (g) the Related Party Performance Rights have the values, as attributed by Hall Chadwick and using the Monte-Carlo Valuation Methodology, shown in Schedule 5;
- (h) the Related Party Performance Rights will be issued no later than three (3) years after the date of the Meeting (or such other date as permitted by ASX waiver of the Listing Rules) and it is intended the issue of the Related Party Performance Rights will occur at the same time;
- (i) the Related Party Performance Rights will be issued for nil consideration. The Related Party Performance Rights are being issued as part of the Directors' [remuneration and to incentivise the Directors in their performance of future services].
- (j) a summary of the material terms of the Plan are set out in Schedule 3;
- (k) there is no loan being made in respect of the Securities;
- (l) details of the Related Part Performance Rights issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement confirming that approval for the issue of the Related Party Performance Rights was sought and obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 14.1 who become entitled to participate in an issue of Securities under the Plan after this Resolution is approved and who are not named in the Notice, will not participate until approval is obtained under the relevant Listing Rule;
- (m) the Board (except for Mr Woskett and Mr Moreno) consider that the issue of the Related Party Performance Rights is a reasonable and appropriate method to provide benefits to the Directors as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash benefits were given to the Directors;

- (n) the Board (except for Mr Woskett and Mr Moreno) recommend that Shareholders vote in favour of this Resolution;
- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 8(a) and 8(b); and
- (p) a voting exclusion statement is included for Resolutions 8(a) and 8(b) of this Notice.

10.6 Board Recommendation

The Board (except for Mr Woskett and Mr Moreno) recommend that Shareholders vote in favour of this Resolution.

11. Resolution 9 – Amendments to Constitution

11.1 General

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

Resolution 9 is a special resolution which will enable the Company to amend its Constitution to incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted.

A summary of the proposed material changes is set out below.

A copy of the amended Constitution is available for review by Shareholders at the Company's website <https://www.torquemetals.com/> and at the office of the Company. A copy of the amended Constitution can also be sent to Shareholders upon request to the Company Secretary by sending an email to Neil@TorqueMetals.com. Shareholders are invited to contact the Company if they have any queries or concerns.

11.2 Summary of material proposed changes

How to call meeting of Members (clause 9.9(c))

The *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) permits a notice of meeting and any other information provided with that notice to be communicated using technology. For example, an entity may send its shareholders an email setting out or attaching a notice of meeting and other material relating to that notice of meeting (for example, a proxy form). Alternatively, an entity may send an email to its shareholders with a link to whether the notice and other materials can be viewed or downloaded. In circumstances where the entity does not have the email address for certain shareholders, the entity may send a letter or postcard setting out a URL for viewing or downloading the notice and other materials.

Shareholders may elect to receive documents in a physical form or electronically and the Company must provide that member with the documents in the form based on the shareholder's election (unless it falls under ASIC's emergency power to grant relief).

The amended Constitution makes it clear at clause 9.3(c), that unless the applicable law otherwise provides, a notice of meeting and proxy form do not need to be provided physically in writing, and that the Company may provide a notice of meeting and proxy form to Shareholders electronically.

Meeting at more than one place (clause 10.3)

The amended Constitution includes a provision at clause 10.3 to expressly permit the Company to hold 'hybrid meetings' – that being meetings which are held partly in person and partly by virtual technology. The amended Constitution allows Shareholders to elect how they wish to attend hybrid meetings.

Virtual Meetings (clause 10.4)

The recent updates to the Corporations Act, (by way of the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth)), provides that a company may use technology to allow Shareholders to attend general meetings virtually if a wholly virtual meeting is expressly permitted in the company's constitution.

The amended Constitution includes a provision which allows a meeting of Shareholders to be held by virtual means only, which provides greater flexibility for the Company and Shareholders. Any technology used at a general meeting must give Shareholders as a whole a reasonable opportunity to participate in the meeting.

SCHEDULE 1 – Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

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

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Torque Metals Limited (ACN 621 122 905).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

Director Securities has the meaning given to it in Section 4.1.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Lead Manager or **Euroz Hartleys** means Euroz Hartleys Limited (ABN 33 104 195 057).

Lead Manager Mandate has the meaning given to it in Section 4.1.2.

Lead Manager Options has the meaning given to it in Section 8.1.

Listing Rules means the listing rules of ASX.

M&A Transaction has the meaning given to it in Section 4.1.2.

Meeting or **General Meeting** has the meaning in the introductory paragraph of the Notice.

Non-Related Participants has the meaning given to it in Section 6.1.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Performance Right means a right to subscribe or otherwise acquire a Share subject to the achievement of certain milestones.

Placement has the meaning given to it in Section 4.1.

Placement Options has the meaning given to it in Section 4.1.

Placement Participants means sophisticated and professional investors who participated in the Placement.

Placement Shares has the meaning given to it in Section 4.1.

Plan or **Employee Securities Incentive Plan** has the meaning given to it in Section 9.1.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning given to it in Chapter 19 of the Listing Rules.

Related Party Performance Rights has the meaning given to it in 10.1.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Securities means a Share, Option, Performance Right or any other type of security in the capital of the Company.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Tranche 1 Shares has the meaning given to it in Section 4.1.

Tranche 2 Shares has the meaning given to it in Section 5.1.

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

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

SCHEDULE 2 – Terms of the Placement Options and Lead Manager Options

The terms and conditions of the Options are as follows:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years after the date of issue of the Options (**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) **Quotation**

The Company will not apply for quotation of the Options on ASX.

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

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

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

(i) **Shares issued on exercise**

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

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of 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.

(k) **Participation in new issues**

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

(l) **Change in exercise price**

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.

(m) **Transferability**

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

SCHEDULE 3 – Employee Securities Incentive Plan

A summary of the terms of the Plan is set out below:

- (a) **(Eligible Participant):** Eligible Participant means a person that:
- (i) is an 'ESS participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company for an invitation made on or after 1 October 2022; and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (b) **(Purpose):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (c) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion except to the extent that it prevents the Company relying on the deferred tax concessions under Subdivision B3A-C of the *Income Tax Assessment Act 1997* (Cth). The Board may delegate its powers and discretion.
- (d) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
- On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
- (e) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (f) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. Unless in 'Special Circumstances' (as defined in the Plan) with the consent of the Board, a Participant may not sell, assign, transfer, grant a security interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a Derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

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

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

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

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

If the difference between the total exercise price otherwise payable for the Convertible Securities being exercised and the then market Value of the Share at the time of exercise and the exercise price is zero or negative, then the Eligible Participant will not be entitled to use the cashless exercise facility.

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

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

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
- (n) **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

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

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Compliance with Applicable Laws):** Notwithstanding the Plan rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any applicable laws.

Where monetary consideration is payable by the Eligible Participant, and in respect to Convertible Securities where the Exercise Price on exercise of those Convertible Securities is greater than zero, the Company must reasonably believe when making an invitation:

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

does not exceed:

- (iii) if the Constitution specifies an issue cap percentage, that percentage; or
- (iv) if the Constitution does not specify an issue cap percentage, 5% (or such other maximum permitted under any Applicable Law),

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

- (r) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (s) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

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

SCHEDULE 4 – Performance Rights Terms

(a) Vesting Conditions

Subject to the terms and conditions below, each (1) Performance Right is convertible into one (1) fully paid ordinary share in the capital of the Company, upon the following milestones being achieved collectively (**Vesting Conditions**):

	Name	Vesting Conditions
(a)	Class A Performance Rights	The VWAP of the Company's Shares over a consecutive period of 20 trading days being not less than \$0.40.
(b)	Class B Performance Rights	The Company delineates a JORC 2012 Compliant Mineral Resource of not less than 250,000oz of Au.

(b) General Terms

- (i) The Performance Rights shall lapse at 5.00pm WST on 22 November 2024 (**Expiry Date**).
- (ii) The Performance Rights will be granted for nil consideration, as their primary purpose is to provide a performance and retention linked incentive component of the remuneration package to those persons holding the Performance Rights (**Holders**), to motivate and reward their performance with the Company.
- (iii) The Board may, at its discretion, and by notice to the Holders, adjust or vary the terms of a Performance Right, subject to the requirements of the Listing Rules. No adjustment or variation to these terms will be made without the prior written consent of each Holder, if such adjustment or variation would have a materially prejudicial effect upon that Holder (in respect of their outstanding Performance Rights).
- (iv) The Performance Rights are otherwise subject to the following standard terms and conditions:
 - (A) **(No Voting Rights)** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
 - (B) **(No Dividend Rights)** The Performance Rights do not entitle the Holder to any dividends.
 - (C) **(Rights on Winding Up)** The Performance Rights do not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
 - (D) **(Not Transferable)** The Performance Rights are not transferable.
 - (E) **(Not Quoted)** The Performance Rights will not be quoted on ASX. However, upon conversion of the Performance Rights into Shares, the Company must, within five (5) Business Days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.

- (F) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Rights will not be entitled to participate in new issues of securities offered to holders of Shares such as bonus issues and entitlement issues, unless and until the Holder is entitled to convert the Performance Rights, and does so before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares.
- (G) **(No Other Rights)** The Performance Rights give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(c) **Conversion of Performance Rights**

- (i) A certificate or holding statement will be issued to each Holder for their respective Performance Rights.
- (ii) Holders may only convert their Performance Rights by delivering to the Company Secretary, in the period between the relevant Vesting Condition being satisfied and the relevant Expiry Date:
 - (A) the certificate or holding statement for the Performance Rights or, if either or both have been lost or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company by relying on the declaration; and
 - (B) a notice signed by the Holder stating the Holder wishes to convert the Performance Rights and specifying the number of Performance Rights which are converted.
- (iii) Vested Performance Rights may be converted in one or more parcels of any size. A conversion of only some Performance Rights shall not affect the rights of the Holder to the balance of the Performance Rights held by the Holder.
- (iv) The Company shall issue to the Holder Shares, and deliver holding statements following conversion within 5 Business Days of receipt of the notice described in 3(b)(ii).
- (v) Shares issued following conversion of a Performance Right shall rank, from the date of issue, equally with existing Shares of the Company in all respects.

(d) **Lapse of Performance Rights**

- (i) Subject to clauses d(ii) and d(iii), every Performance Right will lapse immediately and all rights attaching to the Performance Rights will be lost:
 - (A) if the Holder ceases to be an employee or Director of, or to render services to, the Company for any reason whatsoever (including without limitation resignation or termination for cause) and the relevant Vesting Condition has not been satisfied; or
 - (B) the Vesting Conditions are unable to be satisfied; or
 - (C) the Expiry Date has passed;
 whichever is earlier.

- (ii) If the Expiry Date of a Performance Right falls outside any applicable trading window, then the Expiry Date of such Performance Right shall be extended to the close of business on the 10th Business Day during the next applicable trading window.
- (iii) If the Holder dies, becomes permanently disabled, resigns employment on the basis of retirement from the workforce or is made redundant by the relevant member of the Group, prior to the Expiry Date of any Performance Rights granted to the Holder (**Ceasing Event**) the following provisions apply:
 - (A) the Holder or the Holder's personal legal representative, where relevant, may convert those Performance Rights which at that date:
 - (I) have become convertible;
 - (II) have not already been converted; and
 - (III) have not lapsed,
 - (IV) in accordance with clause 4(c)(iii);
 - (B) at the absolute discretion of the Board, the Board may resolve that the Holder, or the Holder's personal legal representative, where relevant, may convert those Performance Rights which at that date:
 - (I) have not become convertible; and
 - (II) have not lapsed,

in accordance with clause 4(c)(iii) and, if the Board exercises that discretion, those Performance Rights will not lapse other than as provided in clause 4(c)(iii);
 - (C) the Holder or the Holder's personal legal representative (as the case may be) must convert those Performance Rights referred to in clause 4(c)(i) and, where permitted, clause 4(c)(ii), not later than the earliest of:
 - (I) the Expiry Date of the relevant Performance Rights; and
 - (II) the date which is 6 months after the Ceasing Event provided that in the case of Performance Rights referred to in clause 4(c)(ii), all Vesting Conditions have been met at that time (unless the Board decides to waive any relevant Vesting Conditions, in its absolute discretion); and
 - (D) Performance Rights which have not been converted by the end of the period specified in clause 4(c)(iii) lapse immediately at the end of that period.
- (iv) Where:
 - (A) the Holder ceases to be a Holder for any reason whatsoever (including without limitation resignation or termination for cause) prior to the relevant Expiry Date, however the relevant Vesting Condition has been met, the Holder is entitled to convert the Performance Rights for a period of up to 1 month after the date which the Holder ceased to be a Holder, after which the Performance Rights will lapse immediately.

(e) **Change in Control Event**

- (i) Change in Control Event means:
 - (A) the occurrence of:
 - (I) the offeror under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (II) that takeover bid has become unconditional; or
 - (B) the announcement by the Company that:
 - (I) shareholders of the Company have (at a Court convened meeting of shareholders) voted (by the necessary majority) in favour of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - (II) the Court, by order, approves the scheme of arrangement.
- (ii) On the occurrence of a Change of Control Event, the Board may in its sole and absolute discretion determine that any unvested Performance Rights will vest in the Holders, despite the non-satisfaction of any Vesting Conditions and become convertible in accordance with clause 3(b), with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of the Holder is terminated or ceases in connection with the Change of Control Event.
- (iii) Whether or not the Board determines to accelerate the vesting of any Performance Rights, the Company shall give written notice of any proposed Change of Control Event to all Holders.
- (iv) Upon the giving of such notice, the Holder shall be entitled to convert, at any time within the 14-day period following the receipt of such notice, all or a portion of those Performance Rights granted to the Holder which are then vested and convertible in accordance with their terms, as well as any unvested Performance Rights which shall become vested and convertible in connection with the Change of Control Event.
- (v) Unless the Board determines otherwise (in its sole and absolute discretion), upon the expiration of such 14-day period, all rights of the Holder to convert any outstanding Performance Rights, whether vested or unvested, shall terminate and all such Performance Rights shall immediately lapse, expire and cease to have any further force or effect, subject to the completion of the relevant Change of Control Event.
- (vi) In any event, the maximum number of Performance Rights that can be converted into Shares and issued upon a Change of Control Event pursuant to this clause 5 must not exceed 10% of the issued share capital of the Company (as at the date of the Change in Control event).

SCHEDULE 5 – Valuation of Related Party Performance Rights

Class A Performance Rights

A valuation of the Class A Performance Rights has been prepared as at 21 March 2023 using the Monte-Carlo Valuation Method was prepared by Hall Chadwick on 21 March 2023. The valuation applied a number of assumptions and variables, including the following:

- The closing price of shares traded on ASX as at 21 March 2023 was \$0.11;
- A risk free rate of 2.87% has been adopted;
- A dividend yield of nil has been adopted;
- A volatility factor of 78% has been adopted; and
- Expiry date of 22 November 2024

The estimated value of the performance Rights is \$0.037. On this basis the total value of the financial benefit, if approved, is estimated to be:

Andrew Alexander Woskett	\$37,387
Cristian Moreno	\$37,387

Class B Performance Rights

Management has concluded, on the advice of Hall Chadwick, that the underlying share price of \$0.11 being the closing price of shares traded on ASX as at 21 March 2023 was to be used in estimating the value of the Class B Performance Rights. On this basis the total value of the financial benefit, if approved, is estimated to be:

Andrew Alexander Woskett	\$110,000
Cristian Moreno	\$110,000


ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

MOBILE DEVICE PROXY APPOINTMENT

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

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

GENERAL MEETING PROXY FORM

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

APPOINT A PROXY

The Chair of
the Meeting

OR



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

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held **at The Celtic Club, 48 Ord Street, West Perth, WA 6005 on 28 April 2023 at 10.00 am WST** and at any adjournment or postponement of that Meeting.

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

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 7, 8(a) & 8(b) (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

VOTING DIRECTIONS
Resolutions

		For	Against	Abstain*
1	Re-election of Director – Mr Andrew Woskett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2(a)	Ratification of Prior Issue of Tranche 1 Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2(b)	Ratification of Prior Issue of Tranche 1 Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of Share Issue – Tranche 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval to issue Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval For Director Participation in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Approval to issue Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Approval of Employee Securities Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8(a)	Issue of Performance Rights to Directors under the Plan - Mr Andrew Alexander Woskett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8(b)	Issue of Performance Rights to Directors under the Plan - Mr Cristian Moreno	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Amendments to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

Email Address

☐

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

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

CHANGE OF ADDRESS

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

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

VOTING DIRECTIONS – PROXY APPOINTMENT

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

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 7, 8(a) & 8(b), by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 7, 8(a) & 8(b).

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

COMPLIANCE WITH LISTING RULE 14.11

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

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

CORPORATE REPRESENTATIVES

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

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

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

Joint Holding:

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

Power of Attorney:

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

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10.00 am WST on 26 April 2023, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

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



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033