

5 April 2023

Dear Shareholder,

**RE: ANNUAL GENERAL MEETING – NOTICE AND PROXY FORM**

Notice is given that the Annual General Meeting (**AGM**) of Shareholders of Critical Resources Limited (ACN 145 184 667) (**Company**) will be held as follows:

**Time and date:** 11.00 am (AWST) on Friday, 5 May 2023

**Location:** The South Perth Yacht Club, Corner Duncraig and Canning Beach Roads, Applecross, Western Australia

As permitted by the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Meeting to shareholders unless a shareholder has requested to receive a hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded at the following link: [www.criticalresources.com.au](http://www.criticalresources.com.au) or from the ASX Company Announcements Platform at [asx.com.au](http://asx.com.au) (ASX: CRR).

Shareholders are strongly encouraged to submit their Proxy Form to the Company's share registry, Computershare, using any of the following methods:

Online	At <a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR code on your proxy form and follow the prompts
Custodian Voting	For Intermediary Online subscribers only (custodians) please visit <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a> to submit your voting intentions

Your proxy voting instruction must be received by 11:00 am (AWST) on Wednesday, 3 May 2023 being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Circumstances relating to COVID-19 can change rapidly and shareholders are urged to monitor applicable government guidance. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website.

In order to receive electronic communications from the Company in the future, please update your Shareholder details with Computershare Investor Services Pty Limited by:

1. Go online to [www.computershare.com.au/easyupdate/crr](http://www.computershare.com.au/easyupdate/crr)
2. Enter your Holder Identification number (including the I or X)
3. Enter your postcode
4. Follow the prompts

The Meeting Materials are important and should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. If you have any difficulties obtaining a copy of the Meeting Materials please contact the Company's share registry, Computershare Investor Services Pty Limited on, 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

Yours faithfully  
**Harry Spindler**  
Company Secretary



**Critical  
Resources  
Limited**

**Critical Resources Limited  
ACN 145 184 667**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held at the South Perth Yacht Club, Corner of Duncraig and Canning Beach Roads, Applecross, Western Australia 6153, on Friday, 5 May 2023, at 11:00am (WST).**

The Notice of Annual General Meeting 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 advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 9389 4499.**

**Shareholders are urged to attend the Meeting or vote by lodging the Proxy Form attached to the Notice.**

**CRITICAL RESOURCES LIMITED**  
**ACN 145 184 667**  
**(Company)**

## **Notice of Annual General Meeting**

Notice is given that the annual general meeting of Shareholders of Critical Resources Limited (**Company**) will be held at the South Perth Yacht Club, Corner of Duncraig and Canning Beach Roads, Applecross, Western Australia 6153 on Friday, 5 May 2023 at 11:00am (WST) (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders as at 5:00pm (WST) on Wednesday, 3 May 2023. The Directors encourage all eligible Shareholders to lodge Proxy Forms prior to 11:00am (WST) on 3 May 2023.

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

Terms and abbreviations used in the Notice are defined in Schedule 1.

## **Agenda**

### **1 Financial Statements and Reports**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 31 December 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

***Note:** There is no requirement for Shareholders to approve the Annual Report.*

### **2 Resolutions**

#### **Resolution 1 – Adoption of Remuneration Report**

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

*“That, for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report set out in the Company’s Financial Report for the year ended 31 December 2022 is adopted on the terms and conditions in the Explanatory Memorandum.”*

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

## **Resolution 2 – Re-election of Director – Mr Robert Martin**

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

*“That, for the purposes of Listing Rule 14.5 and for all other purposes, Mr Robert Martin, who retires by rotation in accordance with the Constitution, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.”*

## **Resolution 3 – Election of Director – Mr John Markovic**

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

*“That, for the purposes of Listing Rule 14.4, Rule 7.3(c) of the Constitution and for all other purposes, Mr John Markovic, who was appointed as a Director by the Board of Directors in accordance with Rule 7.2(b) of the Constitution on 12 August 2022, retires in accordance with the Constitution and, being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.”*

## **Resolution 4 – Ratification of prior issue of Consideration Shares**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 12,494,339 Consideration Shares to Power Metals Corp, which were issued in accordance with the Company’s placement capacity under Listing Rule 7.1, on the terms and conditions set out in the Explanatory Memorandum.”*

## **Resolution 5– Ratification of prior issue of Placement Shares**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 84,316,627 Placement Shares, which were issued in accordance with the Company’s placement capacity under Listing Rule 7.1A, on the terms and conditions set out in the Explanatory Memorandum.”*

## **Resolution 6 – Approval of 10% Placement Facility (LR 7.1A)**

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

## Resolution 7 – Adoption of a new Constitution

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

*“That, for the purposes of Section 136 of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution of the Company in its place in the form of the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting.”*

## Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 4:** by or on behalf of Power Metals Corp or any other person who participated in the issue, or any of their respective associates;
- (b) **Resolution 5:** by or on behalf of any person who participated in the issue of the Placement Shares, or any of their respective associates; and
- (c) **Resolution 6:** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are 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 Shareholder), or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

**Resolution 1:** In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

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

**BY ORDER OF THE BOARD**



Harry Spindler  
Company Secretary  
Critical Resources Limited  
Dated: 5 April 2023

**Critical Resources Limited**  
**ACN 145 184 667**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at South Perth Yacht Club, Corner of Duncraig and Canning Beach Roads, Applecross, Western Australia 6153 on Friday, 5 May 2023 at 11:00am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

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

Section 2	Voting and attendance information
Section 3	Financial Statements and Reports
Section 4	Resolution 1 – Adoption of Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Robert Martin
Section 6	Resolution 3 – Election of Director – Mr John Markovic
Section 7	Resolution 4 – Ratification of prior issue of Consideration Shares
Section 8	Resolution 5 – Ratification of prior issue of Placement Shares
Section 9	Resolution 6 – Approval of 10% Placement Facility (LR 7.1A)
Section 10	Resolution 7 – Adoption of a new Constitution
Schedule 1	Definitions

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

### **2. Voting and attendance information**

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

#### **2.1 Voting in person**

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

## 2.2 Voting by a corporation

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

## 2.3 Voting by proxy

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 encouraged to vote by completing and returning the 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 in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) 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.

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

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:

- (i) 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);
- (ii) 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;
- (iii) 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
- (iv) 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).

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

- (iv) 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;
- (v) the appointed proxy is not the chair of the meeting;
- (vi) at the meeting, a poll is duly demanded on the resolution; and
- (vii) either the proxy is not recorded as attending the meeting or 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.

Your proxy voting instruction must be received by 11:00am (WST) on Wednesday, 3 May 2023, being not later than 48 hours before the commencement of the Meeting.

## **2.4 Chair's voting intentions**

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1 even though this Resolution is connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

## **2.5 Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [cosec@criticalresources.com.au](mailto:cosec@criticalresources.com.au) by 5:00pm on Wednesday, 3 May 2023 (WST).

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

## **3. Financial Statements and Reports**

In accordance with section 317 of the Corporations Act and the Company's Constitution, Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report for the financial year ended 31 December 2022.

There is no requirement for Shareholders to approve these reports.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Financial Report, Directors' Report and Auditor's Report, which are included in the Company's Annual Report available online at [www.criticalresources.com.au](http://www.criticalresources.com.au) or on the ASX platform for "CRR" at [www.asx.com.au](http://www.asx.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;

- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

## **4. Resolution 1 – Adoption of Remuneration Report**

### **4.1 General**

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors.

If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2022 annual general meeting held on 24 May 2022 (**2022 AGM**).

At the 2022 AGM, 99.69% of votes cast in respect of the Remuneration Report were in favour of the Company's Remuneration Report. The Company did not receive any specific feedback at the 2022 AGM on its remuneration practices.

If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

## **4.2 Board recommendation**

Resolution 1 is an ordinary resolution.

Given the personal interests of the Relevant Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

## **5. Resolution 2 – Re-election of Director – Robert Martin**

### **5.1 General**

Rule 7.3 of the Company's Constitution and Listing Rule 14.5 requires that there must be an election of Directors at each annual general meeting of the Company.

Rule 7.3(a) and Listing Rule 14.4 requires that no Director hold office without re-election past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. Mr Robert Martin, Non-Executive Chairman, was last elected at the 2021 annual general meeting held on 27 May 2021.

Mr Robert Martin has agreed to retire at this Meeting and, being eligible, seek re-election pursuant to this Resolution 2.

### **5.2 Robert Martin**

Mr Martin is a successful businessman and accomplished company director with over 25 years' experience across a broad range of sectors including, mining and mining services, manufacturing and capital markets. Mr Martin has a profound insight into corporate strategy, capital operation, management integration and business structures and efficiencies. Recently Mr Martin had owned and operated large and highly successful mining services business with offices in multiple jurisdictions globally.

After multiple years of growth on revenue, profitability and expansion the company was acquired by a prominent Perth business. Mr Martin now runs a family office in Western Australia with a focus on investing and supporting emerging private and public businesses.

Mr Martin currently holds positions in publicly listed companies: non-executive director of Parkd Limited (ASX: PKD), non-executive chairman for Battery Age Minerals Limited (ASX: BM8), non-executive chairman of Equinox Resources Limited (ASX: EQN) and as non-executive director of TSX-V listed Volt Carbon Technologies (TSX-V: VCT)

The Company confirms that it took appropriate checks into Mr Martin's background and experience and that these checks did not identify any information of concern.

If elected, Mr Martin is considered by the Board (with Mr Martin abstaining) to be an independent Director. Mr Martin is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Martin has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director and Chairman.

### **5.3 Board recommendation**

The Board (other than Mr Robert Martin who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Martin and recommends that Shareholders vote in favour of this Resolution. The Directors consider Mr Martin's skills and experience are valuable to the Board's existing skills and experience.

### **5.4 Additional information**

Resolution 2 is an ordinary resolution.

If Resolution 2 is passed, Mr Robert Martin will be re-elected as Non-Executive Chairman of the Company.

If Resolution 2 is not passed, Mr Robert Martin will not be re-elected as Non-Executive Chairman of the Company.

## **6. Resolution 3 – Election of Director – Mr John Markovic**

### **6.1 General**

Rule 7.2(b) of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Rule 7.3(c) of the Constitution and Listing Rule 14.4 provides that a Director (other than the Managing Director) appointed under Rule 7.2(b) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

A Director who retires in accordance with Rule 7.3(c) holds office until the conclusion of the Meeting but is eligible for election at the Meeting. Accordingly, Mr John Markovic, a Non-Executive Director appointed on 12 August 2022, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to this Resolution 3.

### **6.2 John Markovic**

Mr Markovic is a successful private property developer and investor with over 30 years' of experience. Mr Markovic is currently the managing director for a number of private companies, including JGM Property Investments Pty Ltd, who have ownership of substantial industrial and commercial property portfolios in New South Wales. Throughout his career, Mr Markovic has been involved in numerous entrepreneurial technology and property start-ups as an early-stage investor and advisor

Mr Markovic holds degrees in both a Bachelor of Laws and a Bachelor of Commerce and has been involved in numerous entrepreneurial tech and property start-ups as an early stage investor and advisor throughout his career.

Mr Markovic does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Mr Markovic's background and experience and that these checks did not identify any information of concern.

If elected, Mr Markovic is not considered by the Board (with Mr Markovic abstaining) to be an independent director given his substantial shareholding in the Company.

Mr Markovic has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### 6.3 Board recommendation

The Board (other than Mr John Markovic who has a personal interest in the outcome of this Resolution) supports the election of Mr Markovic and recommends that Shareholders vote in favour of this Resolution. The Directors consider Mr Markovic's skills and experience are valuable to the Board's existing skills and experience.

### 6.4 Additional information

Resolution 3 is an ordinary resolution.

If Resolution 3 is passed, Mr John Markovic will be elected as a Non-Executive Director of the Company.

If Resolution 3 is not passed, Mr John Markovic will not be elected as a Non-Executive Director of the Company.

## 7. Resolution 4 – Ratification of prior issue of Consideration Shares

### 7.1 Background

As announced on 20 December 2022, the Company entered into a binding purchase and sale agreement with TSX-V listed Power Metals Corp (TSX-V:PWM) (**Power Metals**) to acquire Power Metals' Gullwing-Tot Lakes property (refer to Section 7.2 for further information on the property) (**Acquisition Agreement**).

Pursuant to the Acquisition Agreement:

- (a) the Company agreed to:
  - (i) a cash payment of CAD\$600,000 (~\$653,000) to Power Metals (or its nominee);
  - (ii) issue 12,494,339 Shares to Power Metals (or its nominee), being such number of Shares equal to CAD\$600,000 (~\$653,000) at a deemed value of \$0.0525 per Share (**Consideration Shares**); and
  - (iii) grant Power Metals a 1% gross margin royalty for mineral production within the mining claims acquired by the Company; and
- (b) Power Metals agreed to transfer its 100% legal and beneficial interest in the mining claims comprising the Gullwing-Tot Lakes property to the Company.

On 29 December 2022, the Company announced that it had completed due diligence investigations on the Gullwing-Tot Lakes property to its satisfaction and proceeded to completion of the sale and purchase of the property pursuant to the Acquisition Agreement.

The Acquisition Agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

On 30 December 2022, the Company issued 12,494,339 Consideration Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the Consideration Shares.

## 7.2 Gullwing-Tot Lakes Project

The Gullwing-Tot Lakes property, along with the Mavis Lake Lithium Project and recently staked ground by the Company directly, form an enlarged contiguous project area of approximately 30 km long and 9.5km wide, with a total area of 22,984 hectares (**Mavis Lake Project Area**). The entire Mavis Lake Project area lies within the prospective Sioux Lookout Domain in the Wabigoon Subprovince.

The Gullwing-Tot Lakes property is considered to be highly prospective for lithium mineralisation, with historical exploration identifying multiple spodumene-bearing pegmatites over the project area, with rock-chip samples returning grades up to 6.78% Li<sub>2</sub>O.

Gullwing-Tot Lakes is located in Drope and Webb townships, 30km northeast of Dryden, Ontario, and approximately 5.5km northeast of the Mavis Lake 'Main Zone' where the Company has been successfully drilling for lithium since April 2022.

The claims are situated in the Sioux Lookout Domain in the western Wabigoon Subprovince. The property is considered to be prospective for lithium, cesium and tantalum mineralisation, confirmed through rock chip and channel sampling completed by Power Metals in the period from 2018 to 2020.

With its location, the Gullwing-Tot Lakes property, like Mavis Lake, has excellent and immediate access to national level road and rail infrastructure, hydro-power and support services from the town of Dryden.

Further information on the Gullwing-Tot Lakes property can be found in the Company's ASX announcements dated 20 December 2022 and 29 December 2022 and 2022 Annual Report.

### *Compliance Statement*

*This Section 7.2 contains information on the Gullwing-Tot Lakes Project extracted from ASX market announcements dated 20 December 2022 and 29 December 2022 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at [www.criticalresources.com.au](http://www.criticalresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.*

## 7.3 Listing Rule 7.1

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

The issue of the Consideration Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the placement capacity available under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Consideration Shares.

#### **7.4 Listing Rule 7.4**

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. The effect of Shareholders passing Resolution 4 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **7.5 Technical information required by Listing Rule 14.1A**

If Resolution 4 is passed, 12,494,339 Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Shares.

If Resolution 4 is not passed, 12,494,339 Consideration Shares will continue to be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of Equity Securities that the Company can issue or agree to issue without Shareholder approval, to the extent of 12,494,339 Equity Securities for the 12 month period following the issue of the Consideration Shares.

#### **7.6 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Consideration Shares:

- (a) the Consideration Shares were issued to Power Metals Corp. (TSX-V:PWM);
- (b) a total of 12,494,339 Consideration Shares were issued within the Company's placement capacity permitted under Listing Rule 7.1;
- (c) the Consideration Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Consideration Shares were issued on 30 December 2022;
- (e) the Consideration Shares were issued for nil cash consideration;
- (f) the Consideration Shares were issued as part consideration for the purpose of acquiring a 100% legal and beneficial interest in the Gullwing-Tot Lakes property under the Acquisition Agreement, at a deemed issue price of \$0.0525 each. There were no proceeds from the issue of the Consideration Shares;

- (g) a summary of the material terms of the Acquisition Agreement is set out in Section 7.1; and
- (h) a voting exclusion statement is included in the Notice.

## 7.7 Board recommendation

Resolution 4 is an ordinary resolution.

The Board considers that it would be beneficial to have the optionality afforded by Listing Rule 7.1, should the need arise, and therefore recommends that Shareholders vote in favour of Resolution 4.

## 8. Resolution 5 – Ratification of prior issue of Placement Shares

### 8.1 Background

On 28 November 2022, the Company announced that it had received firm commitments for a placement to raise CAD\$6,053,934 (\$6,672,011) (before costs) (**Flow Through Placement**) by the issue of 84,316,627 Shares at CAD\$0.0718 (\$0.08) per Share (**Placement Shares**) to PearTree Securities Inc. (**PearTree**) as agent for certain eligible Canadian investors (**Investors**).

PearTree was engaged to facilitate the Flow Through Placement pursuant to an engagement agreement dated 27 October 2022 (**PearTree Engagement Letter**). Under the PearTree Engagement Letter and a subscription and renunciation agreement (**Share Subscription Agreement**) dated 25 November 2022, PearTree agreed to purchase the Shares under the Flow Through Placement as agent for the Investors.

The Company also entered into a joint lead manager mandate with Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Sixty Two Capital Pty. Ltd. (ACN 611 480 169) (**Joint Lead Managers**) whereby the Joint Lead Managers acted as lead managers, brokers and joint bookrunners to the Company in connection with the Flow Through Placement.

On 1 December 2022, the Company issued 84,316,627 Placement Shares to PearTree using the Company's placement capacity under Listing Rule 7.1A.

The Placement Shares were then on-sold to sophisticated and professional investors (**Placement Participants**) by way of a block trade, facilitated by and pursuant to a block trade agreement between PearTree and Canaccord Genuity (Australia) Limited, at a price per Share of \$0.05.

The Placement Shares issued under the Flow Through Placement qualified as "flow-through shares" as defined in the Income Tax Act (Canada) (**Act**), which provide tax incentives to the Investors for expenditures that qualify as flow through mining expenditures under the Act. The tax benefits associated with the Placement Shares are available only to the Investors (who are Canadian residents) and not to any other person who acquires the Shares through the on-sale or transfer of those Shares.

Refer to the Company's prospectus dated 29 November 2022 for further details of the Flow Through Placement.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.



## **8.2 Listing Rule 7.1A**

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10% to 25%. The Company obtained this approval at its annual general meeting held on 24 May 2022.

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rule 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A for the 12 month period following the issue of the Placement Shares.

## **8.3 Listing Rule 7.4**

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

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 10% additional placement capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

## **8.4 Technical information required by Listing Rule 14.1A**

If Resolution 5 is passed, 84,316,627 Placement Shares will be excluded in calculating the Company's 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 Resolution 5 is not passed, 84,316,627 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 84,316,627 Equity Securities for the 12 month period following the issue of the Placement Shares.

## **8.5 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) the Placement Shares were issued to PearTree (as agent for the Investors) as Canadian flow-through shares in accordance with the Share Subscription Agreement. PearTree is a corporate advisor to the Company and is therefore a Material Investor, but following the divestment of the Placement Shares to the Placement Participants, does not hold Shares in the Company.

The Placement Shares were then on-sold to the Placement Participants, none of whom is a related party or Material Investor of the Company. The Placement Participants were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the Flow Through

Placement from existing contacts of the Company and clients of the Joint Lead Managers;

- (b) a total of 84,316,627 were issued within the Company's placement capacity permitted under Listing Rule 7.1A;
- (c) the Placement Shares are fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Placement Shares were issued on 1 December 2022;
- (e) the Placement Shares were issued at CAD\$0.0718 (\$0.08) per Share to PearTree and then on-sold to the Placement Participants at \$0.05 per Share;
- (f) the proceeds from the issue of the Placement Shares have been and are intended to be applied towards exploration, evaluation and development of the Company's Mavis Lake project in Ontario, Canada;
- (g) the Placement Shares were issued pursuant to the Share Subscription Agreement as set out in Section 8.1 above. The Share Subscription Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and indemnity provisions); and
- (h) a voting exclusion statement is included in the Notice.

## **8.6 Board recommendation**

Resolution 5 is an ordinary resolution.

The Board considers that it would be beneficial to have the optionality afforded by Listing Rule 7.1A, should the need arise, and therefore recommends that Shareholders vote in favour of Resolution 5.

## **9. Resolution 6 – Approval of 10% Placement Facility (LR 7.1A)**

### **9.1 Background**

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

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to have an additional placement capacity broadly equivalent to 10% of its fully paid ordinary issued capital (**10% Placement Facility**).

An "eligible entity" means an entity which is not included in the S&P/ASX 300 index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 6 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 9.3(f) below). The number of Equity Securities to be issued under the 10% Placement Facility

will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.3(c) below)

## 9.2 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without further Shareholder approval, subject to satisfying the requirements of the 10% Placement Facility ASX conditions.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

## 9.3 Listing Rule 7.1A

### (a) Is the Company an eligible entity?

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$68.6 million, based on the closing price of Shares (\$0.043) on 30 March 2023.

### (b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities, being Shares.

### (c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

**A** = is the number of Shares on issue at the commencement of the Relevant Period:

(A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

(B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

- (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
- (1) the agreement was entered into before the commencement of the Relevant Period; or
  - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
- (E) plus the number of fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity, and 'Relevant Period' has the relevant meaning given in Listing Rule 7.1 and 7.1A.2, namely, the 12 month-period immediately preceding the date of the issue or agreement.

**D** = is 10%.

**E** = is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement to issue has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 9.3(e)(i) above, the date on which the Equity Securities are issued, (**Minimum Issue Price**).

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

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

**(10% Placement Period).**

(g) **What is the effect of Resolution 6?**

The effect of Resolution 6 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

#### **9.4 Technical information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the 10% Placement Facility:

(a) **Period for which the approval will be valid**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 9.3(f) above).

(b) **Minimum price at which equity securities may be issued**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 9.3(e) above).

(c) **Purposes for which the funds raised by an issue of equity securities may be used**

The Company may issue Equity Securities under the 10% Placement Facility for cash consideration only, and the Company intends to apply any funds raised under such an issue to exploration, evaluation and development of the Company's existing projects, project generation, acquisition of new assets and general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

If this Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of convertible securities only if those convertible securities are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 8.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.0215 50% decrease in Current Market Price	\$0.043 Current Market Price	\$0.086 100% increase in Current Market Price
1,594,754,872  Shares Variable A	10% Voting Dilution	159,748,487	159,748,487	159,748,487
	Funds raised	\$ 3,428,723	\$ 6,857,446	\$ 13,714,892
2,392,132,308  Shares 50% increase in Variable A	10% Voting Dilution	239,213,231	239,213,231	239,213,231
	Funds raised	\$ 5,143,084	\$ 10,286,169	\$ 20,572,338
3,189,509,744  Shares 100% increase in Variable A	10% Voting Dilution	318,950,974	318,950,974	318,950,974
	Funds raised	\$ 6,857,446	\$ 13,714,892	\$ 27,429,784

**Notes:**

1. The table has been prepared on the following assumptions:

- (a) The issue price is the current market price (\$0.043), being the closing price of the Shares on ASX on 30 March 2023, being the latest practicable date before this Notice was signed.
  - (b) Variable A comprises of 1,594,754,872 existing Shares on issue as at the date of this Notice, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
  - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (d) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
  - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
  3. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Previous issues under Listing Rule 7.1A in previous 12 months**

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2022 annual general meeting.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued the following Equity Securities under Listing Rule 7.1A:

<b>General</b>	
Date of issue	1 December 2022
Number of Equity Securities issued	84,316,627 representing ~5.67% of the total number of Shares on issue at the commencement of that 12 month period.
Class of Equity Securities Issued	Ordinary fully paid shares
Basis upon which allottees were identified	Professional and sophisticated investors identified through a bookbuild process utilising the flow-through shares provision allowed under Canadian Tax Law. This offer was facilitated by Canadian flow-through share dealer, PearTree Securities Inc ( <b>PearTree</b> ), pursuant to a subscription and renunciation agreement with the Company, and a block trade agreement being facilitated by Canaccord Genuity (Australia) Limited who acted as Joint Lead Manager along with Sixty Two Capital Pty Ltd (the <b>Joint Lead Managers</b> ) for the transaction. The Placement was from non-related parties of the Company.
<b>Pricing</b>	
Issue price	AUD\$0.08
Premium to closing market price on date of issue (if any)	48%
<b>Consideration and use of funds</b>	
Total cash consideration received	CAD\$6,053,934 (AUD\$6,672,011)
Amount of cash consideration spent as at the date of this Notice and purpose of spending	CAD\$1,263,619. Funds raised from the placement have been (and will be) applied to exploration, evaluation and development of the Company's Mavis Lake project in Ontario, Canada.
Intended use of remaining cash consideration (if any)	As above.

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

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

## 9.5 Board recommendation

Resolution 6 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).



The Board considers that it would be beneficial to have the optionality afforded by Listing Rule 7.1A, should the need arise, and therefore recommends that Shareholders vote in favour of Resolution 6.

## **10. Resolution 7 – Adoption of a new Constitution**

### **10.1 General**

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 seeks the approval of Shareholders to repeal the Company's existing Constitution and adopt a new constitution (**Proposed Constitution**).

The Company's previous Constitution has not been amended since it was adopted on 10 October 2017. The Proposed Constitution incorporates amendments to the Corporations Act and the Listing Rules since the Constitution was adopted. The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution and many of the proposed changes are administrative or minor in nature, for example updating references to bodies or legislation which have been renamed.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website [www.criticalresources.com.au/investors/](http://www.criticalresources.com.au/investors/) and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary at [cosec@criticalresources.com.au](mailto:cosec@criticalresources.com.au). Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 7 is passed, the Company will adopt the Proposed Constitution with from the date that ASIC alters the details of the Company's registration.

### **10.2 Summary of material proposed changes**

#### **(a) Minimum Shareholdings (article 2.6 and schedule 4)**

Article 2.6 and schedule 4 of the Proposed Constitution outline how the Company can manage shareholdings which represent 'less than a marketable parcel' of Shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time (**Minimum Shareholding**).

The Proposed Constitution is in line with the requirements for dealing with Minimum Shareholdings outlined in the Corporations Act and Listing Rules such that where the Company elects to undertake a sale of Minimum Shareholdings, the Company is only required to give one notice to holders of Minimum Shareholdings to elect to retain their shareholding before the Minimum Shareholdings can be dealt with by the Company,

saving time and administrative costs incurred by otherwise having to send out additional notices.

Schedule 4 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with Minimum Shareholdings.

(b) **Restricted Securities (article 2.7)**

ASX introduced a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX introduced a two-tier escrow regime where ASX can and will require certain more significant holders of Restricted Securities (as defined by the Listing Rules) and their controllers to execute a formal escrow agreement in the form of Appendix 9A, as is currently the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of Restricted Securities and to simply give a notice to the holder of Restricted Securities in the form of a new Appendix 9C advising them of those restrictions.

Under article 2.7 of the Proposed Constitution, holders of Restricted Securities will be taken to have agreed in writing that those Securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the applicable escrow period. Holders of Restricted Securities will also not be entitled to participate in any return of capital on those Securities during the applicable escrow period, except as permitted by the Listing Rules or ASX.

(c) **Convening a general meeting (article 5.2)**

Article 5.2 provides for the ability of the Company to hold general meetings using virtual technology only, as well as physical or hybrid meetings. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics).

Pursuant to article 5.2, the Directors may hold a meeting of Shareholders at a time determined by the Directors:

- (i) at one or more physical venues;
- (ii) at one or more physical venues and using virtual meeting technology; and
- (iii) using virtual meeting technology only,

provided that, in each case, Members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the Directors.

If the Directors elect to use virtual technology for a meeting of Shareholders, the Directors will determine the type of virtual meeting technology to be used, which may include any combination of telephone, video conferencing, messaging, smartphone application or any other audio and/or visual device which permits instantaneous communication.

(d) **Fee for registration of off-market transfers (article 4.4)**

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a 'reasonable fee' for registering paper-based transfers, sometimes referred to as 'off-market transfers'.

Article 4.4 of the Proposed Constitution enables the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

(e) **Maximum number of Directors (article 7.1)**

The existing Constitution stipulates that the number of Directors must be not less than three, or more than 10. The Proposed Constitution provides that unless otherwise determined by the Company in general meeting, the number of Directors is to be not less than 3. The Proposed Constitution therefore provides for no maximum number of Directors, subject to the applicable provisions in the Corporations Act. This is a more common provision in current constitutions.

(f) **Deemed notice to uncontactable Shareholders (article 14.5)**

Article 14.5 of the Proposed Constitution provides that a document will be deemed to have been served to a Shareholder if the document is exhibited in the registered office of the Company for 48 hours in the event that:

- (i) a Shareholder does not have an address in the register of Shareholders, and has not nominated an alternative address; and
- (ii) the Company reasonably believes that a Shareholder is not known at the Shareholder's address in the register of Shareholders or any alternative address provided.

(g) **Proportional takeover bid approval provisions (article 4.9 and schedule 5)**

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

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

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

### **10.3 Specific information required by section 648G of the Corporations Act**

(a) **Effect of the proposed proportional takeover provisions**

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

(b) **Reasons for proportional takeover provisions**

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

(c) **Knowledge of any acquisition proposals**

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

(d) **Potential advantages and disadvantages of proportional takeover bid provisions**

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

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

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

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

- (i) proportional takeover bids may be discouraged;

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

(e) **Recommendation of Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provisions in the Proposed Constitution is in the interests of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

**10.4 Additional information**

Resolution 7 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 7.

## Schedule 1      Definitions

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

<b>\$</b>	means Australian Dollars.
<b>10% Placement Facility</b>	has the meaning given in Section 9.1.
<b>10% Placement Period</b>	has the meaning given in Section 9.3(f).
<b>2022 AGM</b>	has the meaning given in Section 4.1.
<b>Acquisition Agreement</b>	has the meaning given in Section 7.1.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2022.
<b>ASX</b>	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report on the Financial Report.
<b>Board</b>	means the board of Directors.
<b>CAD\$</b>	means Canadian Dollars.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	has the meaning given in Section 9 of the Corporations Act.
<b>Company</b>	means Critical Resources Limited (ACN 145 184 667).
<b>Consideration Shares</b>	has the meaning given in Section 7.1.
<b>Constitution</b>	means the constitution of the Company as at the date of the Meeting.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended or modified from time to time.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>ESS Interests</b>	has the meaning under section 1100M(1) of the Corporations Act.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Investors</b>	has the meaning given in Section 8.1.

<b>Joint Lead Managers</b>	means Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Sixty Two Capital Pty. Ltd. (ACN 611 480 169), and each a <b>Joint Lead Manager</b> .
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Market Price</b>	means the published closing price of the Shares on the ASX market on the date of issue of the relevant Shares.
<b>Material Investor</b>	means, in relation to the Company: <ul style="list-style-type: none"> <li>(a) a related party;</li> <li>(b) Key Management Personnel;</li> <li>(c) a substantial Shareholder;</li> <li>(d) an advisor; or</li> <li>(e) an associate of the above,</li> </ul> who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>Minimum Issue Price</b>	has the meaning given in Section 9.3(e).
<b>Notice</b>	means this notice of annual general meeting.
<b>Option</b>	means an option to acquire a Share.
<b>PearTree</b>	means PearTree Securities Inc.
<b>PearTree Engagement Letter</b>	has the meaning given in Section 8.1.
<b>Performance Right</b>	means a right to acquire a Share in the capital of the Company subject to the satisfaction of performance milestone.
<b>Placement Participants</b>	has the meaning given in Section 8.1.
<b>Placement Shares</b>	means the 84,316,627 Shares issued to PearTree as agent for the Investors under the Flow Through Placement, as Canadian "flow-through shares", the subject of Resolution 5.
<b>Power Metals</b>	means Power Metals Corporation (TSX-V: PWM).
<b>Proposed Constitution</b>	has the meaning given in Section 10.1.
<b>Proxy Form</b>	means the proxy form attached to the Notice.

<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a Section of this Notice.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Share Subscription Agreement</b>	has the meaning given in Section 8.1.
<b>Strike</b>	has the meaning given in Section 4.1.
<b>Trading Day</b>	has the meaning given in the Listing Rules.
<b>USD\$</b>	means United States Dollars.
<b>VWAP</b>	means volume weighted average market price.
<b>WST</b>	means Western Standard Time, being the time in Perth, Western Australia.





**Critical  
Resources  
Limited**

CRITICAL RESOURCES LIMITED  
ABN 12 145 184 667

## Need assistance?



**Phone:**

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

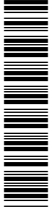


**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

CRR

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Critical Resources Limited Annual General Meeting

The Critical Resources Limited Annual General Meeting will be held on Friday, 5 May 2023 at 11:00am (AWST). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

For your proxy appointment to be effective it must be received by 11:00am (AWST) on Wednesday, 3 May 2023.



### ATTENDING THE MEETING IN PERSON

The meeting will be held at:

The South Perth Yacht Club, Corner Duncraig and Canning Beach Roads, Applecross, WA  
6153

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



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ABN 12 145 184 667

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## Need assistance?



**Phone:**

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



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Wednesday, 3 May 2023.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

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

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

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

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

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



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

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

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Critical Resources Limited to be held at the South Perth Yacht Club, Corner Duncraig and Canning Beach Roads, Applecross, WA 6153 on Friday, 5 May 2023 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

## Step 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director – Mr Robert Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Director – Mr John Markovic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of prior issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of prior issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of 10% Placement Facility (LR 7.1A)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Adoption of a new Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

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

