

11 April 2023

Dear Shareholder,

INVITATION TO PARTICIPATE IN SHARE PURCHASE PLAN

Buxton Resources Limited (**BUX** or **Company**) makes an offer to eligible shareholders to participate in a Share Purchase Plan (**Plan**).

The Plan offers to eligible shareholders the opportunity to purchase up to \$30,000 of BUX ordinary shares (**New Shares**) at \$0.16 (16 cents) each without incurring brokerage or transaction costs on the terms and conditions (**Terms and Conditions**) enclosed with this letter (**Offer**).

Shareholders eligible to participate in the Plan

Participation in the Plan is voluntary and is available exclusively to shareholders who are registered as holders of Shares at 7pm (AEST) on the Record Date of 6 April 2023 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Plan and Issue Price

The Plan entitles Eligible Shareholders to purchase parcels of Shares being one of an amount of \$2,000, \$5,000, \$10,000, \$20,000 or \$30,000.

The New Shares will be priced at \$0.16 (16 cents) each (**Issue Price**). The issue price represents a 19% discount to the volume weighted average price (VWAP) of the Company's Shares over the last 5 days on which sales were recorded before the day on which the Plan was announced on 11 April 2023. There is no offer of Options as part of the Offer.

The maximum number of Shares to be issued under the Plan is 15,625,000 New Shares, which represents a maximum raising of \$2,500,000 under the Plan before expenses.

Participation in the Plan

The offer for New Shares under the Plan is made in accordance with the enclosed Terms and Conditions. An application form for the Plan (**Application Form**) is included in this package.

Eligible Shareholders may participate in one of 5 amounts ranging from \$2,000 to \$30,000. Any fractions of a New Share will be rounded down to the nearest whole number of New Shares.

The Issue Price is \$0.16 (16 cents) each.

Application for quotation on ASX of the New Shares will be made immediately following issue of those New Shares.

Current Activities

Details of the Company's current activities are set out in the announcements made to the ASX and are available from the ASX, or the Company's website at www.buxtonresources.com.au.

The funds raised under the Plan will be used to fund exploration and development activities in support of the Graphite Bull Project, the Company's existing grass-roots exploration portfolio in WA, for other ongoing project assessments, for working capital, and the costs of the offer.

Effect on Capital Structure

The effect of the Offer on the Company's issued share capital if all New Shares under this Offer are subscribed for is shown in the following table:

Shares	Maximum Subscription
Existing Shares	155,593,568
New Shares under this Offer	15,625,000
Total Shares on issue at maximum subscription	171,218,568

Custodians and Nominees

Eligible Shareholders who hold Shares as a custodian for one or more persons on the Record Date may apply for up to a maximum amount of \$30,000 worth of New Shares in respect of each beneficiary who is resident in Australia or New Zealand, subject to providing a Custodian Certificate to the Company. Please refer to the Terms and Conditions for more details.

Price risk

If you apply to participate in the Plan, you should be aware, and accept the risk, that the market price of the Shares in the Company may rise and fall between the date of the Offer under the Plan and the date when any New Shares are issued to you under the Plan. As such, it is possible that, up to or after the date you receive New Shares under the Plan, you may be able to buy Shares on the ASX at a lower price than under this Plan.

The Board recommends that you obtain your own financial advice in respect of the Offer under the Plan.

Non-renounceable

The Offer under the Plan is non-renounceable and cannot be transferred by Eligible Shareholders.

Foreign offer restrictions

This document may not be released or distributed in any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under any United States statute and may not be offered or sold in the United States.

Scale-back

The Company will issue a maximum of 15,625,000 New Shares under the Plan. In the event of an oversubscription by the closing date the Directors will in their absolute discretion scale-back applications. Eligible Shareholders may therefore receive less than the parcel of New Shares for which they applied.

Shortfall

There will be a shortfall if less than the maximum number of New Shares are subscribed for by Eligible Shareholders (ie less than 15,625,000 New Shares). In this event, and subject to any necessary shareholder approval, the shortfall may be placed to sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. The Offer is not underwritten.

Indicative Timetable

Date	Event
6 April 2023	Record Date for Share Purchase Plan
14 April 2023	Distribution of Share Purchase Plan booklet and Share Purchase Plan Offer Opens
2 May 2023	Closing Date for Share Purchase Plan
9 May 2023	Announcement of results of Share Purchase Plan and issue of New Shares

These dates are indicative only. The Company may vary the dates (including extending the closing date) of the Offer without notice. Accordingly, shareholders are encouraged to submit their Application Form as early as possible.

If you have any questions in relation to the Offer or how to complete your Application, please call the share registry, Computershare, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8:30 am to 5:00 pm (AEST) Monday to Friday or consult your financial or other professional adviser.

Yours faithfully

Eamon Hannon
Managing Director

For further information, please contact:

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This announcement was authorised for release by:

Sam Wright
Company Secretary

BUXTON RESOURCES LIMITED (ABN 86 125 049 550)

SHAREHOLDER SHARE PURCHASE PLAN - TERMS AND CONDITIONS

1. PURPOSE

The purpose of the Shareholder Share Purchase Plan (the **Plan**) is to offer eligible shareholders of Buxton Resources Limited (**BUX** or **Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**New Shares**) in accordance with these Terms and Conditions. Under this Plan, Eligible Shareholders may purchase New Shares at \$0.16 each (**Issue Price**). The purchase is without the need to pay brokerage costs and without the need for the Company to issue a Prospectus.

2. SHAREHOLDERS ELIGIBLE TO PARTICIPATE

Eligible Shareholders

Holders of Shares that are registered with an Australian or New Zealand address at the Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

The Record Date is 7.00pm (AEST) 6 April 2023.

Participation in the Plan is optional and is subject to these Terms and Conditions. Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any New Shares offered under the Plan). Eligible Shareholders who wish to take up the New Shares issued under the Plan agree to be bound by the Company's constitution in respect of the New Shares issued under the Plan.

An offer may, at the discretion of the Directors of the Company, be made under the Plan once a year. The maximum amount which any shareholder may subscribe for in any consecutive 12 month period is \$30,000.

Joint holders

Where two or more persons are recorded in the register as jointly holding Shares, they are taken to be a single registered holder and the Offer is made to them jointly.

Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) (refer below) (**Custodian**), you may apply for up to the maximum of New Shares for each beneficiary for whom you act as custodian provided you annex to your Application Form a certificate to the Company (**Custodian Certificate**) with the following information:

- (a) that you or another interposed custodian held Shares on behalf of one or more other persons who are resident in Australia or New Zealand (each a Participating Beneficiary) at 7:00pm (AEST) on the Record Date who have subsequently instructed you to apply for New Shares under the Plan on their behalf;
- (b) the number of Participating Beneficiaries and their names and addresses;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;

- (d) the dollar amount of New Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- (e) that the amount for New Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application amount for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$30,000;
- (f) that a copy of the written offer document was given to each beneficiary; and
- (g) where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 you are a "*custodian*" if you are a registered holder that:

- holds an Australian financial services licence covering the provision of a custodial or depository service;
- is exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service;
- holds an Australian financial services licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;
- is a trustee of a self-managed superannuation fund or a superannuation master trusts; or
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request Custodian Certificate and if you would like further information on how to apply, you should contact the Company's share registry during normal business hours.

The Company reserves the right to reject any application for New Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

3. **PRICE OF NEW SHARES**

The price of New Shares to be issued under the Plan is \$0.16 each representing a 19% discount to the volume weighted average price of the Company's Shares over the last 5 days on which sales in the Shares are recorded before the day on which the Plan was announced on 11 April 2023.

4. **ISSUE OF NEW SHARES**

The New Shares will be issued in accordance with the Indicative Timetable. The New Shares will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESSE notifications will be issued in respect of all New Shares issued under the Plan. The Company will, promptly after the issue of New Shares under the Plan, make application for those New Shares to be quoted on ASX.

5. LODGING THE APPLICATION FORM AND PAYMENT

Application for New Shares under the Offer can be made by completing an online application at www.computersharecas.com.au/BUX or using the personalised Application Form that accompanies this Offer Document. Please follow the instructions on the Application Form as you may choose one of 5 amounts ranging from \$2,000 to \$30,000.

Shareholders with an Australian Bank Account can make payment by BPAY, using the Biller Code and Reference Number shown on your Application Form. Shareholders without an Australian Bank Account should contact the share registry, Computershare, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8:30 am to 5:00 pm (AEST) Monday to Friday for alternative payment arrangements.

If you have multiple holdings you will have multiple BPAY Reference Numbers. To ensure you receive your New Shares under the Offer in respect of that holding you must use the specific Biller Code and Reference Number shown on each personalised Application Form when paying for any New Shares that you may wish to apply for in respect of that holding. If you inadvertently use the same Reference Number for more than one of your applications, you will be deemed to have applied only for that application to which that Reference Number applies and any excess amount will be refunded.

If you make your payment using BPAY you do not need to return your Application Form. Payments made by BPAY received after **7:00pm (AEST) on 2 May 2023** will not be accepted.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

By using the BPAY facility to apply for New Shares you represent that the total of the application price for the following does not exceed \$30,000:

- the New Shares the subject of your application;
- any other Shares issued under any similar arrangement in the 12 months before the date of your application;
- any other New Shares which you have instructed a Custodian to acquire on your behalf under the Plan;
- any other Shares issued to a Custodian under an arrangement similar to the Plan in the 12 months before the date of your application as a result of any instruction given by you to the Custodian or to another custodian which resulted in you holding beneficial interests in such Shares.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of **7:00pm (AEST) on 2 May 2023**.

If the exact amount of money is not tendered with your application, the Company reserves the right to either:

- return your Application Form and/or payment and not issue any New Shares to you; or
- issue to you the number of New Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

The maximum investment any shareholder may apply for is \$30,000. This limitation applies even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account). It is the responsibility of the applicant to ensure that the aggregate of the application price paid for the New Shares the subject of the application and any other shares and interests in the class applied for by you under the Plan or any similar arrangement in the 12 months prior to the date of the application does not exceed \$30,000.

6. **SCALE-BACK**

The Company will issue a maximum of 15,625,000 New Shares under the Plan representing a maximum \$2,500,000 raising before expenses.

In the event of an oversubscription by the closing date the Directors will in their absolute discretion scale-back applications.

If the Company undertakes a scale-back, you will receive the number of New Shares decided by the Company in its absolute discretion, which may be less than the parcel of New Shares for which you applied. In this case, the difference between the application money received, and the number of New Shares allocated to you multiplied by the purchase price, will be refunded to you by direct credit (to your nominated account as recorded on the Company's Share Register) or by cheque as soon as practicable, without interest.

Scale-back decisions are made by the Board and are final.

7. **PLACEMENT OF SHORTFALL**

In the event that less than 15,625,000 New Shares are subscribed for, then (subject to any necessary shareholder approval) the Company reserves the right to place such shortfall to sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act.

The Offer is not underwritten.

8. **ISSUE OF NEW SHARES**

The New Shares will be issued under the Plan on or about 9 May 2023 or as soon as possible after that date. The Company may issue fewer New Shares than applied for by you (or none at all) if any of the following apply:

- the Company considers (in its reasonable opinion) that issuing New Shares to you under the Plan will breach the Plan, the Corporations Act or the ASX Listing Rules;
- the Company considers (in its reasonable opinion) that by issuing New Shares to you under the Plan you may exceed the maximum of \$30,000 or receive an aggregate of more than \$30,000 of New Shares under the Plan or any other arrangement similar to the Plan in the past 12 months up to the Closing Date (except to the extent that the person is issued with New Shares as a Custodian under a custodian offer);
- you are a Custodian and you have not complied with the requirements of paragraph 2;
- the Company undertakes a scale back;
- the Company considers (in its reasonable opinion) that you have not complied with these terms.

It is your responsibility to confirm your holding before trading any New Shares you believe have been issued under the Plan. Any shareholder that sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Company and the share registry disclaim all liability whether in the negligence or otherwise (to the maximum extent permitted by law) to person who trade their New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the share registry.

9. **OTHER INFORMATION**

Not a Prospectus

This document is not a prospectus and has not been lodged with ASIC. The issue of a prospectus is not required for the purposes of this Offer. This document does not contain the type of information required to be contained in a prospectus. You must rely on your own knowledge of the Company, previous information disclosed by the Company to ASX and if necessary, consult with your professional adviser when deciding whether or not to participate in the Plan.

Modification and Termination of the Plan

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant or application for New Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

Company's rights

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors of the Company or any delegate of them.