

Atrum Coal Limited

Level 5
126 Phillip Street
Sydney NSW 2000
ACN: 153 876 861

www.atrumcoal.com



Atrum Coal Limited

Notice of 2022 Annual General Meeting

Explanatory Statement | Proxy Form

Monday, 29 May 2023

9.00am AEST

Address

Virtual meeting, accessible online.

This Notice of Meeting 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.

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Important Information for Shareholders about the Company's 2022 AGM

This Notice is given based on circumstances as at 27 April 2023. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at www.atrumcoal.com. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:00am (AEST) on Monday, 29 May 2023 (4:00pm MDT on Sunday 28 May 2023) as a **virtual meeting**.

The Company is pleased to provide Shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “**register**” and following the prompts. Shareholders will require their holder number (Security holder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to investor.automic.com.au
2. Login with your username and password or click “**register**” if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.**
3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on “**Register**” when this appears. Alternatively, click on “**Meetings**” on the left-hand menu bar to access registration.

4. Click on “**Register**” and follow the steps
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting.
Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the “Voting virtually at the Meeting” section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to Nova Taylor at nova.taylor@automicgroup.com.au at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Your vote is important

The business of the Annual General Meeting affects your shareholding, and your vote is important.

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM can do so through the online meeting platform powered by Automic.

Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" within the platform to be taken to the voting screen.

Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the Proxy Form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the Proxy Form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of **Atrum Coal Limited (the Company)** ACN 153 876 861 will be held at 9:00am (AEST) on Monday, 29 May 2023 (4:00pm MDT on Sunday 28 May 2023) as a **virtual meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of 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 Annual General Meeting are those who are registered Shareholders at 9:00am AEST on Saturday 27 May 2023.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 31 December 2022 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. Resolution 1 – Adoption of Remuneration Report

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 31 December 2022.”

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

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

Re-election of Directors

2. Resolution 2 – Re-election of Glen Koropchuk as Director

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

"That Glen Koropchuk, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."

3. Resolution 3 – Election of Kelvin Flynn as Director

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

"That Kelvin Flynn, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company's Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately."

4. Resolution 4 – Election of Konrad de Kerloy as Director

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

"That Konrad de Kerloy, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company's Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately."

ASX Listing Rule 7.1A (Additional 10% Capacity)

5. Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: If at the time approval is sought the Company is proposing to make an issue of equity securities under rule 7.1A.2, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

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

However, this does not apply to a vote cast in favour of Resolution 5 by:

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

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

Ratification of Prior Issue of Performance Rights

6. Resolution 6 – Ratification of Prior Issue of 8,400,000 Performance Rights

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 8,400,000 Performance Rights issued on 15 July 2022 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

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

However, this does not apply to a vote cast in favour of Resolution 6 by:

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

Approval of Performance Rights Plan

7. Resolution 7 – Approval of Performance Rights Plan

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

"That, for the purposes of ASX Listing Rule 7.2 (exception 13(b)) and for all other purposes, the Shareholders of the Company approve the Atrum Coal Limited Performance Rights Plan (Performance Rights Plan) (a summary of which is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting) and the issue of securities of the Company under the Performance Rights Plan within three years from the date of this resolution as an exception to Listing Rules 7.1."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) a person who is eligible to participate in the Performance Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 7 by:

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

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 7 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a Closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

Approval of Employee Share Plan

8. Resolution 8 – Approval of Employee Share Plan

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

"That, for the purposes of ASX Listing Rule 7.2 (exception 13(b)), section 259B(2) and Section 260C(4) of the Corporations Act and for all other purposes, the Shareholders of the Company approve the Atrum Coal Limited Employee Share Plan (Incentive Plan) (a summary of which is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting) and the issue of securities of the Company under the Incentive Plan within three years from the date of this resolution as an exception to Listing Rules 7.1 and 7.1A."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) a person who is eligible to participate in the Employee Share Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

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

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a Closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and

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|-----|--|
| (b) | the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel. |
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Amendment of Constitution

9. Resolution 9 – Amendment to Constitution – Adoption of Proportional Takeover Provisions

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

"That, for the purposes of section 136 of the Corporations Act and for all other purposes, to insert the proportional takeover provisions in the Constitution, in the form of the document tabled at this Meeting and signed by the Chair for the purposes of identification, effective immediately."

BY ORDER OF THE BOARD

Ms Nova Taylor
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 9.00am (AEST) on Monday, 29 May 2023 (4:00pm MDT on Sunday 28 May 2023) as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2022 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at www.atrumcoal.com.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting. Please note that all written questions must be received at least five Business Days before the Meeting, which is by Monday 22 May 2023.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at www.atrumcoal.com.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2023 Annual General Meeting (**2023 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the **2023 AGM** to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2023 AGM. All of the Directors who were in office when the 2023 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Re-election of Directors

Resolution 2 – Re-election of Glen Koropchuk as Director

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. The retiring Directors must not be a Managing Director. The Directors to retire at the annual general meeting are those who have been in office the longest since their last election.

It has been agreed that Glen Koropchuk will retire by rotation at this Meeting.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Glen Koropchuk was appointed a Director of the Company on 15 October 2020 and was elected as a Director at the AGM held on 30 May 2022.

Under this Resolution, Glen Koropchuk has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Mr Koropchuk is a mining engineer with extensive international experience in mine development and operations encompassing over 35 years. He brings substantial project management and business development expertise, and a strong skillset in Corporate Social Responsibility (CSR), stakeholder engagement, Indigenous and Government relations, permitting and sustainable development.

Mr Koropchuk's work history includes over 27 years in key senior management, project development and operational roles for the Anglo American (Anglo) and De Beers Group, working extensively across the Americas, Africa and Russia.

Directors' recommendation

The Directors (excluding Glen Koropchuk) recommend that Shareholders vote for this Resolution.

Resolution 3 – Election of Kelvin Flynn as Director

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Kelvin Flynn was appointed as an additional Director of the Company on 1 December 2022 and has since served as a Director of the Company.

Under this Resolution, Mr Flynn seeks election as a Director of the Company at this AGM.

Mr Flynn is a qualified Chartered Accountant and has worked in complex financial workouts, turnaround advisory and interim management. Mr Flynn is currently the Managing Director of the specialist alternative funds manager Harvis, which focuses on structured credit finance, investments and advice in the real estate and natural resources sectors. Mr Flynn is currently a Non-Executive Director of ASX listed Mineral Resources Limited and Silver Lake Resources Ltd.

Mr Flynn's work history includes over 31 years' experience in investment banking and corporate advisory roles, including private equity and special situations investments in the mining and resources sector. He has held various leadership positions in Australia and Asia, having previously

held the position of Executive Director/Vice President with Goldman Sachs and Managing Director of Alvarez & Marsal in Asia.

Directors' recommendation

The Directors (excluding Kelvin Flynn) recommend that Shareholders vote for this Resolution.

Resolution 4 – Election of Konrad de Kerloy as Director

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Konrad de Kerloy was appointed as an additional Director of the Company on 1 January 2023 and has since served as a Director of the Company.

Under this Resolution, Mr de Kerloy seeks election as a Director of the Company at this AGM.

Mr de Kerloy is an experienced trial and appellate advocate with specialization in major commercial disputes and dispute resolution involving corporate governance, directors' duties, banking and financial instruments, breaches of contract, professional negligence, corporate insolvency and reconstruction and industrial and employee disputes.

Directors' recommendation

The Directors (excluding Konrad de Kerloy) recommend that Shareholders vote for this Resolution.

ASX Listing Rule 7.1A

Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

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

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 add an additional 10% capacity.

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 less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$6.96 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution 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 any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets including Elan and Groundhog projects, general working capital and administration.

Risk of economic and voting dilution to existing ordinary Security holders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) 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 equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Security holders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.0025 50% decrease in issue price	\$0.005 issue prices ^(b)	\$0.01 100% increase in issue price
"A" is the number of shares on issue, being 1,391,699,172 Shares^(a)	10% voting dilution^(c)	139,169,917	139,169,917	139,169,917
	Funds raised	\$347,925	\$695,850	\$1,391,699
"A" is a 50% increase in shares on issue, being 2,087,548,758. Shares	10% voting dilution^(c)	208,754,875	208,754,875	208,754,875
	Funds raised	\$521,887	\$1,043,774	\$2,087,549
"A" is a 100% increase in shares on issue, being 2,783,398,344 Shares	10% voting dilution^(c)	278,339,834	278,339,834	278,339,834
	Funds raised	\$695,850	\$1,391,699	\$3,871,663

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 9 March 2023.
- (b) Based on the closing price of the Company's Shares on ASX as at 9 March 2023.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;

- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The Company did not receive Shareholder approval under Listing Rule 7.1A at its previous AGM and therefore has not issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Ratification of Prior Issue of Performance Rights

Resolution 6 – Ratification of Prior Issue of 8,400,000 Performance Rights

Background

As announced by the Company on 15 July 2022, the Company issued 8,400,000 Performance Rights utilising the Company's existing capacity under Listing Rule 7.1.

The unlisted Performance Rights were issued to reward and incentivise key staff for their services to the Company.

ASX Listing Rule 7.1

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 8,400,000 Performance Rights, which was issued on 15 July 2022 (**Issue Date**).

All of the Performance Rights were issued by utilising the Company's existing capacity under Listing Rule 7.1.

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

period.

The issue of Performance Rights did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Performance rights for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Performance Rights will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Issue Date.

If this Resolution is not passed, the issue of Performance Rights will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Issue Date.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Performance Rights were issued to reward and incentivize key employees and contractors for their services to the Company.
- (b) The Company issued 8,400,000 Performance Rights.
- (c) The 8,400,000 Performance Rights were issued on 15 July 2022.
- (d) Funds were not raised from the issue of the Performance Rights as the Performance Rights were issued for no consideration to reward and incentivize key staff for their services to the Company.
- (e) The full terms of the Performance Rights are set out in **Annexure A** of this Notice.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Approval of Performance Rights Plan

Resolution 7 – Approval of Performance Rights Plan

The Performance Rights Plan was approved and adopted by the Board on 1 January 2012 and has not been previously approved by Shareholders. Shareholder approval is being sought to adopt a performance rights plan entitled "Performance Rights Plan" (**Performance Rights Plan**) under Resolution 7 of this Notice of Meeting. Accordingly, this would be the first time that the Company has sought Shareholder approval for the Incentive Plan for the purposes of ASX Listing Rule 7.2 (exception 13(b)).

The purpose of the Performance Rights Plan is to attract, motivate and retain key employees and

consultants and it is considered by the Company that the adoption of the Plan and the future issue of securities under the Performance Rights Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

ASX Listing Rules

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

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Performance Rights Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

The Company advises that it has not issued any securities under the ASX Listing Rule 7.2 (exception 13(b)). The Company intends to issue a total of 3,600,000 Performance Rights to key employees pursuant to the Performance Rights Plan following the AGM. The Company has not formed an intention regarding any further offers pursuant to the Performance Rights Plan at this time.

A summary of the Performance Rights Plan is set out in **Annexure B** and a copy of the rules of the Performance Rights Plan is available upon request from the Company.

Subject to the approval of this resolution, the Company will issue up to a maximum of 69,584,959 equity securities under the Performance Rights Plan and, if Resolution 8 is also passed, the Incentive Plan, during the three-year period following approval (for the purposes of exception 13).

If the Performance Rights Plan is not approved by Shareholders, and the Company issues securities to Eligible Participants pursuant to the Performance Rights Plan, any issue of securities will be counted towards the Company's issue cap for the purposes of ASX Listing Rules 7.1.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Approval of Employee Share Plan

Resolution 8 – Approval of Employee Share Plan

Background

The Company's Employee Share Plan (**Incentive Plan**) was last approved by Shareholders of the Company on 29 June 2020. As of the date of this Meeting, more than three years would have lapsed since this date. Accordingly, the Company seeks Shareholder approval to readopt the Incentive Plan for the purposes set out in this Explanatory Statement.

The purpose of the Incentive Plan is to:

- (a) Assist in the reward, retention and motivation of eligible employees;
- (b) Link the reward of eligible employees to shareholder value creation; and

- (c) Align the interests of eligible employees with Shareholders by providing an opportunity to eligible employees to receive an equity interest in the form of Shares.

A summary of the key terms of the Incentive Plan is set out in **Annexure C**, and a copy of the rules of the Incentive Plan is available upon request from the Company.

ASX Listing Rules

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

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Incentive Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

Since the Incentive Plan was last approved by Shareholders on 29 June 2020, the Company advises that it has not issued any securities under the Incentive Plan.

Subject to the approval of this resolution, the Company will issue up to a maximum of 69,584,959 equity securities under the Incentive Plan and, if resolution 7 is also passed, the Performance Rights Plan, during the three-year period following approval (for the purposes of exception 13).

Shareholder loans

The Board may, in its discretion, also determine that the Company will provide limited recourse loans to participants to use to pay the subscription price for the purchase of Loan Funded Shares under the Incentive Plan.

Permit the Company to take security over its own Shares

Section 259B(1) of the Corporations Act prohibits a company taking security over shares in itself or in a company that controls it, unless one of the exceptions in subsections 259B(2) or 259(3) applies. Section 259(2) of the Corporations Act permits the taking of security by a Company over its own Shares, if the security is taken over shares issued under an employee share scheme approved at a meeting of shareholders via an Ordinary Resolution.

Employee share scheme is defined widely by the Corporations Act and includes the Incentive Plan. Accordingly, Shareholder approval is being sought under this Resolution to approve the Incentive Plan in order for the Company to take security over its own Shares issued under the Incentive Plan if required to do so.

Exemption for financial assistance

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- a. giving of the assistance does not materially prejudice the interests of the company or its shareholders, or the company's ability to pay its creditors;
- b. the assistance is approved by shareholders under section 260B of the Corporations Act; or
- c. the assistance is exempted under section 260C of the Corporations Act.

Section 260C(4) of the Corporations Act provides an exemption to financial assistance, if the financial assistance is given under an employee share scheme approved at a meeting of shareholders via an Ordinary Resolution.

As noted above and set out in **Annexure C**, the terms of the Incentive Plan envisages the giving of financial assistance by the Company to eligible and invited participants in the form of interest free, limited recourse loans to acquire Loan Funded Shares in the Company.

Although the Board does not consider that the giving of financial benefit under the Incentive Plan will materially prejudice the interests of the Company or its Shareholders, or the Company's ability to pay its creditors, Shareholder approval is being sought under this Resolution to enable the Company to qualify for the special exemption offered by section 260C(4) of the Corporations Act.

If the Incentive Plan is not approved by Shareholders, and the Company issues securities to Eligible Participants pursuant to the Incentive Plan any issue of securities will be counted towards the Company's issue cap for the purposes of ASX Listing Rules 7.1 and 7.1A.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Amendment of Constitution

Resolution 9 – Amendment to Constitution – Adoption of Proportional Takeover Provisions

The Company's current constitution was adopted by the Company following receipt of Shareholder approval on 30 May 2022.

The Board of the Company wishes to amend its existing Constitution to incorporate the proportional takeover provisions.

Accordingly, the Company has prepared an amended Constitution (**Amended Constitution**) which incorporates the proportional takeover provisions.

The Corporations Act requires the Company to provide shareholders with an explanation of the proposed proportional takeover approval provisions, as set out below, so that shareholders may make an informed decision on whether to support or oppose the resolution.

What is a proportional takeover bid and why do we need the proportional takeover approval provisions?

A proportional takeover bid includes the bidder offering to buy a proportion only of each shareholder's Shares in the Company. This means that control of the Company may pass without members having the chance to sell all of their Shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its Constitution that:

- a. in the event of a proportional takeover bid being made for Shares in the Company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- b. the majority decision of the Company's members will be binding on all individual members.

The Directors consider that members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without members being given the opportunity to dispose of all of their Shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid members feeling pressure to accept the bid even if they do not want it to succeed.

What is the effect of the proportional takeover approval provisions?

If a proportional takeover bid is made, the Directors must ensure that shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes. The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, but the bidder and its associates are not allowed to vote. If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn.

If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for three years after the date of approval. The provisions may be renewed, but only by a special resolution.

No present acquisition proposals

At the date this Notice of Meeting was prepared, no Director is aware of a proposal by a person to acquire, or to increase, a substantial interest in the Company.

Potential advantages and disadvantages

While the insertion of the proportional takeover provisions will allow the Directors to ascertain members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendations as to whether the bid should be accepted.

The provisions will ensure that all members have an opportunity to study a proportional bid proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of members, including appropriate pricing. Similarly, knowing the view of the majority of members may help individual members assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's Shares arising from the possibility of a takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to freely deal with their shares.

The Directors consider that the potential advantages for members of the proportional takeover approval provision outweighs the potential disadvantages.

Prior to the Meeting, a copy of the Amended Constitution is available for review by Shareholders at the Company's registered office during normal business hours. A copy of the Amended Constitution can also be sent to Shareholders of the Company upon a request being made to the Company Secretary Nova Taylor nova.taylor@automicgroup.com.au.

A complete signed copy of the Amended Constitution will be tabled at the Meeting.

Pursuant to section 136(2) of the Corporations Act, a modification to the Company's Constitution can only be effected by way of a Special Resolution passed by its Shareholders. Therefore, this

Resolution is a Special Resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

If this Resolution is approved, the proportional takeover provisions will be inserted into the Amended Constitution adopted under Resolution 9 and will take effect from the close of the Meeting.

CLAUSE 6.15 (SCHEDULE 2) OF THE AMENDED CONSTITUTION

1 RESOLUTION REQUIRED FOR TRANSFER UNDER PROPORTIONAL TAKEOVER BID

Subject to paragraph 7 but despite any other provision of this constitution, a transfer of shares or other securities in the company giving effect to a contract resulting from acceptance of an offer made under a proportional takeover bid must not be registered unless and until a resolution approving the bid is passed or taken to be passed in accordance with paragraph 6.

2 BOARD'S OBLIGATIONS WHERE OFFERS MADE UNDER PROPORTIONAL TAKEOVER BID

If offers are made under a proportional takeover bid for any class of shares or other securities in the company, the board must:

- (a) either convene a meeting of the persons entitled to vote on the approving resolution in accordance with paragraph 4 or conduct a postal ballot of all persons entitled to vote on the approving resolution in accordance with paragraph 5; and
- (b) ensure that the approving resolution is voted on at that meeting or by means of that ballot before the day that is 14 days before the last day of the bid period.

3 PERSONS ENTITLED TO VOTE

The only persons entitled to vote on the approving resolution are those persons (other than the bidder or any associate of the bidder) who, as at the end of the day on which the first offer under the proportional takeover bid was made, held shares or other securities of the company in the bid class. Each person who is entitled to vote is entitled to one vote for each share or other security in the bid class held by that person at that time.

4 PROCEDURE FOR MEETING

If the board determines under paragraph 2(a) to convene a meeting of persons entitled to vote on the approving resolution, then, subject to paragraph 3, that meeting must be convened and conducted, as if it were a general meeting of the company convened and conducted in accordance with this constitution and the Corporations Act with such modifications as the board determines are required in the circumstances.

5 PROCEDURE FOR BALLOT

If the board determines under paragraph 2(a) to conduct a postal ballot of persons entitled to vote on the approving resolution, then:

- (a) notice of the postal ballot and a personalised ballot paper specifying the name of the person entitled to vote must be sent to all persons entitled to vote on the resolution not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the board determines;

- (b) the notice must contain the text of the approving resolution and specify the date for closing of the ballot, may specify circumstances in which and the process by which a postal ballot may be revoked and may contain such other information as the directors think fit;
- (c) a postal ballot is only valid if the ballot paper is duly completed and:
 - (i) if the person entitled to vote is an individual, signed by the individual or a duly authorised attorney; or
 - (ii) if the person entitled to vote is a corporation, executed under seal or as permitted by the Corporations Act or by a duly authorised officer or duly authorised attorney;
- (d) a postal ballot is only valid if the ballot paper and the power of attorney or other authority, if any, under which the ballot paper is signed or a certified copy of that power or authority is or are received by the company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the company's registered office or at such other place as is specified for that purpose in the notice of postal ballot;
- (e) the non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot.

6 WHEN APPROVING RESOLUTION PASSED OR REJECTED

If an approving resolution is voted on in accordance with this Schedule 2 then it is to be taken to have been passed if more than 50% of the votes cast on it are in favour of it and otherwise is taken to have been rejected. If an approving resolution has not been voted on in accordance with this Schedule 2 by the end of the day that is 15 days before the last day of the bid period, then an approving resolution is taken to have been passed.

7 WHEN PROPORTIONAL TAKEOVER RULES CEASE TO HAVE EFFECT

This Schedule 2 ceases to have effect:

- (a) if the rules contained in this Schedule 2 have not been renewed in accordance with the Corporations Act, on the day which is 3 years after the date on which those rules were adopted by the company; and
- (b) if those rules have been renewed in accordance with the Corporations Act, on the day which is 3 years after the date on which those rules were last renewed.

Professional Advice

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

Directors' Recommendation

The Board of Directors recommend Shareholders vote for this Resolution.

Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

Annexure A

Terms of Performance rights

The terms of the Performance Rights are set out below:

- a. Each Performance Right is a right to be issued with a single Share upon vesting of the Performance Right, free of encumbrances. No consideration will be payable upon the vesting or conversion of the Performance Rights.
- b. A Performance Right does not entitle the holder to vote on any resolutions proposed at any general meeting of shareholders of the Company.
- c. A Performance Right does not entitle the holder to any dividends or to participate in the surplus profits or assets of the Company upon a winding-up.
- d. Shares issued upon vesting of Performance Rights rank equally with the then issued shares of the Company.
- e. If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon vesting of Performance Rights within the time period required by the ASX Listing Rules.
- f. A Performance Right will not vest unless the Vesting Conditions have been satisfied and the Board has notified the holder of the Performance Right.
- g. A vested Performance Right may only be exercised by the holder once the Board has notified the holder that the vesting conditions attached to the Performance Right have been satisfied.
- h. Subject to paragraph (l) below, a Performance Right will lapse upon the earlier to occur of:
 - failure to meet the Performance Right's Vesting Conditions;
 - the 7-year anniversary of the date of grant of the Performance Right;
 - where, in the opinion of the Board, the Performance Right vests as a result of the fraud, dishonesty, or breach of obligations of another person and, in the opinion of the Board, the Performance Right would not otherwise have vested; or
 - the date the holder of the Performance Right ceases to act as a Director or senior executive of the Company.
- i. If at any time the issued capital of the Company is reconstructed, all Performance Rights of each holder are to be reconstructed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- j. There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights prior to vesting.
- k. Performance Rights are not transferable.

I. Change of Control:

- a. The following constitutes a “**Change of Control Event**” for the purposes of this clause:
 - i. the Company entering into a scheme of arrangement with its creditors or Shareholders or any class thereof pursuant to section 411 of the *Corporations Act* 2001 (Cth) (**Corporations Act**);
 - ii. the commencement of a bid period (as defined in the *Corporations Act*) in relation to the Company to acquire any Share where the takeover bid extends to Shares issued and allotted after the date of the takeover bid; or
 - iii. when a person or group of associated persons having a relevant interest in, subsequent to the adoption of these Performance Rights rules, sufficient Shares in the Company to give it or them the ability, in general meeting, to replace all or a majority of the Directors in circumstances where such ability was not already held by a person associated with such person or group of associated persons;
 - iv. the Company passes a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company;
 - v. the holder of the Performance Right suffers an event of death or total and permanent disability.
- b. Where there is a Change of Control Event:
 - i. all or a specified number of the holder’s unvested Performance Rights, that have not lapsed, will become vested Performance Rights; and
 - ii. the Board shall promptly notify each Participant in writing that he or she may, within the period specified in the notice (**Change of Control Notice Period**), exercise those vested Performance Rights.
- c. Unless the Board of Directors determines otherwise:
 - i. vested Performance Rights that are not exercised by the end of the Change of Control Notice Period; and
 - ii. unvested Performance Rights,

shall lapse at the end of the change of Control Notice Period.

Annexure B

Key Terms of Performance Rights Plan (Plan)

- a. The Board of the Company will administer the Plan in accordance with the Plan Rules and the Board has a broad discretion to determine which employees are eligible to participate in the Plan (**Eligible Participants**).
- b. Under the Plan the Board may grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and vesting conditions as the Board determines.
- c. The Board will advise each Eligible Participant of the following minimum information regarding the Performance Rights:
 - i. the number of Performance Rights being offered (each entitling its holder to one Share upon vesting of that Performance Right);
 - ii. any applicable Vesting Conditions;
 - iii. the period or periods during which any vested Performance Rights may be exercised;
 - iv. the dates and times when the Performance Rights lapse;
 - v. any amount that will be payable upon vesting of a Performance Right; and
 - vi. any other relevant conditions to be attached to the Performance Rights or the Shares.
- d. A Performance Right granted under the Plan will not vest unless the vesting conditions (if any) have been satisfied and the Board has notified the Eligible Participant.
- e. A vested Performance Right may only be exercised by a Participant once the Board has notified the Eligible Participant that the vesting conditions attached to the Performance Right have been satisfied.
- f. A Performance Right will lapse upon the earlier to occur of:
 - i. failure to meet the Performance Right's vesting conditions;
 - ii. the date specified by the Board;
 - iii. where the Participant purports to transfer a Performance Right other than in accordance with the terms of the Plan;
 - iv. where, in the opinion of the Board, an Eligible Participant's Performance Rights vest as a result of the fraud, dishonesty, or breach of obligations of another person and, in the opinion of the Board, the Performance Rights would not otherwise have vested, or
 - v. the 7-year anniversary of the date of grant of the Performance Rights.
- g. The Board may, in its absolute discretion, determine that all or a specified number of unvested Performance Rights vest where:

- i. **(Death)** The Participant dies;
- ii. **(Employment ceases):** The Participant ceases to be engaged by the Company or any of its subsidiaries (as applicable);
- iii. **(Takeover):** a Takeover Bid for the Company's issued Shares is declared unconditional and the bidder has acquired relevant interest in at least 50.1% of the Company's issued Shares;
- iv. **(Compromise or Arrangement):** a court approves under Section 411(4) b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or is amalgamation with any other company or companies; or
- v. **(Winding Up):** the Company passes a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company.

Annexure C

Key Terms of Employee Share Plan

The objective of the Share Plan is to attract, motivate and retain key employees and consultants and it is considered by the Company that the adoption of the Plan and the future issue of Plan Shares will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Plan Shares to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out below. In addition, a copy of the Plan is available for review by Shareholders upon request to the Company Secretary (Nova Taylor). Shareholders are invited to contact the Company if they have any queries at nova.taylor@automicgroup.com.au.

The Material terms and conditions of the Plan are as follows:

- (a) Eligibility:** Participants in the Scheme may be Directors, full-time and part-time employees, consultants or independent contractors of the Company or any of its subsidiaries whom the Directors decide are eligible (Participants).
- (b) Administration of Plan:** The Board is responsible for the operation of the Share Plan and has a broad discretion to determine which Participants will be offered Shares under the Share Plan.
- (c) Offer:** The Board may issue an offer to a Participant to participate in the Share Plan. The offer (among other things):
 - (i) will invite application for the number of Shares specified in the offer;
 - (ii) may invite applications for a loan up to the amount payable in respect of the Shares accepted by the Participant in accordance with the offer;
 - (iii) will specify any performance hurdles applying to the Shares;
 - (iv) will specify an acceptance period; and
 - (v) specify any other terms and conditions attaching to the Shares.
- (d) Issue price:** the issue price of each Plan Share will be determined by the Board (in its sole and absolute discretion), which may be a nominal or nil issue price if so determined by the Board (subject to Shareholder approval, if required).
- (e) Performance hurdles and restriction on transfer:** Plan Shares may be subject to performance hurdles (such as performance criteria as determined by the Board) which must be satisfied before the Plan Shares can be sold, transferred, or encumbered by the Participant. Shares cannot be sold, transferred or encumbered by the Participant until, subject to any performance hurdles being satisfied (or waived by the Board in its sole and absolute discretion), the later of: (i) the date any loan in relation to the Shares has been repaid or otherwise discharged under the Share Plan; or (ii) the third anniversary of the date the Plan Shares were issued. The Company is authorised to impose a holding lock on the Plan Shares to implement this restriction.
- (f) Loan:** A Participant who is invited to subscribe for Plan Shares may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted by

the Participant (Loan), on the following terms:

- (i) the Loan will be interest free;
- (ii) the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Plan Shares;
- (iii) the Loan repayment date and the manner for making such payments shall be determined by the Board and set out in a loan agreement which accompanies the offer;
- (iv) the Company shall have a lien over the Plan Shares in respect of which a Loan is outstanding and the Company shall be entitled to sell those Plan Shares in accordance with the terms of the Share Plan;
- (v) a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates; and
- (vi) the Board may, in its absolute discretion, agree to forgive a Loan made to a Participant.

(g) Unfulfilled Performance Hurdle: Where a performance hurdle in relation to Plan Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company must, unless the restriction condition is waived by the Board (in its sole and absolute discretion), then:

- (i) the Participant will forfeit all of the Plan Shares;
- (ii) the Company will sell or re-allocate the Plan Shares held by the Participant, and any sale proceeds will constitute full settlement of any Loan (and any other outstanding amounts) related to the Plan Shares (including the Company's reasonable costs of selling the Plan Shares);
- (iii) the Participant will have no entitlement to any sale proceeds; and
- (iv) the Participant will have no further entitlement under the Share Plan.

(h) Power of Attorney: The Participant irrevocably appoints each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Share Plan.

(i) Plan limit: The Company must take reasonable steps to ensure that the number of Plan Shares offered by the Company under the Share Plan when aggregated with:

- (i) the number of Shares issued during the previous 5 years under the Share Plan (or any other employee share plan extended only to eligible employees); and
- (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted, does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).

(j) Quotation on ASX: The Company will apply for each Plan Share to be admitted to trading on ASX upon issue of the Plan Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Plan Shares.

(k) Rights attaching to Shares: Each Plan Share shall be issued on the same

terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Share Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

Glossary

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2022 Annual Report to Shareholders for the period ended 31 December 2022 as lodged by the Company with ASX.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of 31 December 2022 dated 30 March 2023 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Atrium Coal Limited ACN 153 876 861.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "\$" means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

MDT means Mountain Daylight Time as observed in Alberta Canada.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Performance Right means a performance right which, subject to its terms, could convert to a Share.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automatic Registry Services.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2023 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2023 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2023 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.



Atrium Coal Limited | ABN 27 153 876 861

Proxy Voting Form

If you are attending the virtual Meeting
please retain this Proxy Voting Form
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **9.00am (AEST) on Saturday, 27 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

