
SUNSHINE GOLD LIMITED
ACN 063 388 821

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am (AEST)

DATE: 23 June 2023

PLACE: Unit 1 23 Mackley Street, Garbutt, Queensland

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

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (AEST) on 21 June 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 115,458,410 Tranche 1 Placement Shares to Placement Participants on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1A

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 73,974,924 Tranche 1 Placement Shares to Placement Participants on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 17,233,332 Tranche 2 Placement Shares to Placement Participants, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 20,000,000 Options to the Lead Manager (or its nominee/s) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – ANTONIO TORRESAN

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 16,666,667 Placement Shares to Antonio Torresan (or their nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

6. RESOLUTION 6 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – PAUL CHAPMAN

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Placement Shares to Paul Chapman (or their nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

7. RESOLUTION 7 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – ALEC PISMIRIS

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,333,333 Shares to Alec Pismiris (or their nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

8. RESOLUTION 8 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – LESLIE DAVIS

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,333,333 Shares to Leslie Davis (or their nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

9. RESOLUTION 9 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR - ANTONIO TORRESAN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Antonio Torresan (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

10. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR - PAUL CHAPMAN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Paul Chapman (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

11. RESOLUTION 11 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR - ALEC PISMIRIS

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Alec Pismiris (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

12. RESOLUTION 12 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR - LESLIE DAVIS

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Leslie Davis (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

13. RESOLUTION 13 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR – DAMIEN KEYS

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Damien Keys (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

14. RESOLUTION 14 – CHANGE OF COMPANY NAME

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

*“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to **Sunshine Metals Limited**.”*

Dated: 22 May 2023

By order of the Board

Alec Pismiris
Director and Company Secretary

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1A	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolution 3 - Approval to issue Tranche 2 Placement Shares	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) (namely, the Placement Participants or an associate of that person (or those persons)).
Resolution 4 – Approval to issue Lead Manager Options	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) (namely, Bell Potter or an associate of that person (or those persons)).
Resolution 5 – Approval for Director Participation In Placement - Antonio Torresan	Antonio Torresan (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Approval for Director Participation In Placement - Paul Chapman	Paul Chapman (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Approval for Director Participation In Placement - Alec Pismiris	Alec Pismiris (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 8 – Approval for Director Participation In Placement - Leslie Davis	Leslie Davis (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 9 - Issue of Incentive Options to Director - Antonio Torresan	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question Antonio Torresan (or their nominee) or an associate of that person or those persons.
Resolution 10 - Issue of Incentive Options to Director - Paul Chapman	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question Paul Chapman (or their nominee) or an associate of that person or those persons.
Resolution 11 - Issue of Incentive Options to Director - Alec Pismiris	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question Alec Pismiris (or their nominee) or an associate of that person or those persons.
Resolution 12 - Issue of Incentive Options to Director - Leslie Davis	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question Leslie Davis (or their nominee) or an associate of that person or those persons.
Resolution 13 - Issue of Incentive Options to Director - Damien Keys	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question Damien Keys (or their nominee) or an associate of that person or those persons.

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

Voting Prohibition Statements

Resolution 5 – Approval for related party participation in Placement - Antonio Torresan

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 5 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 5 Excluded Party.

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

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

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

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

Resolution 6 – Approval for related party participation in Placement – Paul Chapman

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 6 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 6 Excluded Party.

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

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

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and

	<p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 7 – Approval for related party participation in Placement - Alec Pismiris</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 7 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 7 Excluded Party.</p> <p>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 this Resolution if:</p> <p>(a) the proxy is either:</p> <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 8 – Approval for related party participation in Placement - Leslie Davis</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 8 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 8 Excluded Party.</p> <p>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 this Resolution if:</p> <p>(a) the proxy is either:</p> <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:</p> <p>(c) the proxy is the Chair; and</p> <p>(d) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolutions 9 to 13 – Issue of Incentive Options to Director</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolutions 9 to 13 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolutions 9 to 13 Excluded Party.</p>

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 this Resolution if:

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

Provided the Chair is not a Resolutions 9 to 13 Excluded Party, the above prohibition does not apply if:

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Computershare will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on alec@lexconservices.com.au.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO RESOLUTIONS

1.1 Placement

On 8 May 2023, the Company announced its intention to undertake a placement to raise approximately \$3.6 million (before costs) via the issue of 240 million fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.015 per Share (**Placement Shares**) (**Placement**).

The Placement comprises:

- (a) the issue of 189,433,334 Shares under the Company's existing Listing Rule 7.1 and 7.1A placement capacities – the subject of Resolutions 1 and 2 (**Tranche 1 Placement Shares**);
- (b) the issue of 17,233,332 Shares with Shareholder approval to other unrelated investors – the subject of Resolution 3; and
- (c) the issue of 33,333,334 Shares to Directors and their related entities – the subject of Resolution 5 to 8,

(together, the **Placement Shares**).

1.2 Use of funds

Funds raised under the Placement were and will be applied towards:

- (a) Completion of the acquisition of the Greater Lontown assets announced to ASX on 8 May 2023;
- (b) Ongoing exploration activities on those Greater Lontown project areas as well as the Company's existing assets;
- (c) covering the cost of raising funds; and
- (d) additional working capital.

1.3 Lead Manager

The Company engaged Bell Potter Securities Limited (ACN 006 390 772) (AFSL 243 480) (**Bell Potter**) as lead manager to the Placement (**Lead Manager**) under a lead manager mandate (**Lead Manager Mandate**).

In consideration for its services to the Company, Bell Potter will receive the following fees:

- (a) a capital raising fee of 6% of the total amount raised under the Placement (plus GST);
- (b) subject to Shareholder approval, the issue of 20,000,000 Options, exercisable at \$0.0225 each on or before the date that is four years from the date of issue (the **Lead Manager Options**).

The full terms and conditions of the Lead Manager Options are set out in Schedule 1. The Company is seeking Shareholder for the issue of the Lead Manager Options to Bell Potter pursuant to Resolution 4.

2. RESOLUTIONS 1 - 2 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULES 7.1 AND 7.1A

2.1 General

The background to the Placement is set out above in Section 1.1. On 15 May 2023, the Company issued 189,433,334 Tranche 1 Placement Shares to the Placement Participants under the Placement at an issue price of \$0.015 to raise approximately \$2,841,500 (before costs).

115,458,410 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 73,974,924 Shares were issued pursuant to the Company's 7.1A mandate (being, the subject of Resolution 2) which was approved by Shareholders at the annual general meeting held on 11 November 2022.

2.2 Listing Rules 7.1 and 7.1A

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

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 11 November 2022.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

2.3 Listing Rule 7.4

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 that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 1 and 2 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions Resolution 1, 2 and 3:

- (a) the Tranche 1 Placement Shares were issued to professional and sophisticated investors who are clients of Bell Potter Securities Limited (AFSL 243 480) (**Bell Potter**). The recipients were identified through a bookbuild process, which involved Bell Potter seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 189,433,334 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 115,458,410 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 73,974,924 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Tranche 1 Placement Shares were issued on 15 May 2023;
- (f) the issue price was \$0.015 per Tranche 1 Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;

- (g) the purpose of the issue of the Tranche 1 Placement Shares was to raise capital, which will be applied towards the purposes set out in Section 1.2; and
- (h) the Tranche 1 Placement Shares were not issued under an agreement.

3. RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

3.1 General

As set out in Section 1.1 above, as part of the Placement, the Company is proposing to issue up to 17,233,332 Tranche 2 Placement Shares to raise up to \$258,500 (**Tranche 2 Placement Shares**) to additional investors who are not classified as related parties of the Company.

Subject to Shareholder approval, Directors, Antonio Torresan, Paul Chapman, Alec Pismiris and Leslie Davis, will participate in the Tranche 2 Placement by subscribing for a total of 33,333,334 Tranche 2 Placement Shares at an issue price of \$0.015, for a total participation of \$500,000. This participation is the subject of Resolutions 5 to 8. Please refer to Section 5 for further information.

As summarised in Section 2.2 above, 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 shares it had on issue at the start of that period.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and cannot currently be issued under the remaining 15% or 10% placement capacities under Listing Rule 7.1 or 7.1A.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares. The consequent of Resolution 3 not being passed is that the total funds raised under the Placement will be reduced by \$258,500 as the Company will be unable to issue the Tranche 2 Placement Shares.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

3.3 Technical information required by Listing Rule 7.1

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

- (a) the Tranche 2 Placement Shares will be issued to professional and sophisticated investors who are clients of Bell Potter. The recipients will be identified through a bookbuild process, which will involve Bell Potter seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:

- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
- (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Tranche 2 Placement Shares to be issued is 17,233,332. The Tranche 2 Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date;
- (e) the issue price of the Tranche 2 Placement Shares will be \$0.015 per Tranche 2 Placement Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares;
- (f) the purpose of the issue of the Tranche 2 Placement Shares is to raise capital, which the Company intends to apply towards the purposes set out in Section 1.2;
- (g) the Tranche 2 Placement Shares are not being issued under an agreement; and
- (h) the Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.

4. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS TO BROKER

4.1 General

As set out in Section 1.3 above, the Company is proposing to issue 20,000,000 Lead Manager Options in part consideration for lead manager services provided to the Company by Bell Potter as Lead Manager to the Placement.

As summarised in Section 2.2 above, 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 shares it had on issue at the start of that period.

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

4.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Lead Manager Options. In addition, the issue of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

4.3 Technical information required by Listing Rule 7.1

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

- (a) the Lead Manager Options will be issued to Bell Potter (or its nominee/s) as Lead Manager;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Lead Manager Options to be issued is 20,000,000. The terms and conditions of the Lead Manager Options are set out in Schedule 1;
- (d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Options will occur on the same date;
- (e) the Lead Manager Options will be issued at a nil issue price, in shares part consideration for lead manager services provided by Bell Potter to the Company as Lead Manager to the Placement;
- (f) the purpose of the issue of the Lead Manager Options is to satisfy part of the Company's obligations under the Lead Manager Mandate entered into with Bell Potter, a summary of which is set out in Section 1.3;
- (g) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

5. RESOLUTIONS 5 - 8 – APPROVAL FOR DIRECTORS' PARTICIPATION IN PLACEMENT

5.1 General

As set out in Section 1.1 above, the Company has agreed, subject to obtaining Shareholder approval, to issue up to 33,333,334 Shares under Tranche 2 of the Placement to Directors, Antonio Torresan, Paul Chapman, Alec Pismiris and Leslie Davis (or their respective nominees) (**Participating Directors**), each wish to participate in the Placement on the same terms as the Placement Participants under the Placement (**Participation**).

Accordingly, Resolutions 5 to 8 seek Shareholder approval for the issue of a total of 33,333,334 Shares (**Director Shares**) to the Participating Directors (or their respective nominees), as a result of the Participation on the terms set out below.

5.2 Director Recommendation

Each Director has a material personal interest in the outcome of Resolutions 5 to 8 on the basis that four out of five of the Directors (or their nominees) are to be issued Director Shares should Resolutions 5 to 8 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 5 to 8 of this Notice.

5.3 Chapter 2E of the Corporations Act

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

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

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

The Participation will result in the issue of Director Shares which constitutes giving a financial benefit. Antonio Torresan, Paul Chapman, Alec Pismiris and Leslie Davis are related parties of the Company by virtue of being Directors.

As the 33,333,334 Director Shares are proposed to be issued to four out of five Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Director Shares. Accordingly, Shareholder approval for the issue of Director Shares in respect of the Participation is sought in accordance with Chapter 2E of the Corporations Act.

5.4 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 to 8 seek the required Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

5.5 Technical information required by Listing Rule 14.1A

If each of Resolutions 5 to 8 are passed, the Company will be able to proceed with the issue of the Director Shares under the Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Shares in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Director Shares will not use up any of the Company's 15% annual placement capacity.

If any or all Resolutions 5 to 8 are not passed, the Company will not be able to proceed with the issue of the Director Shares and the amount raised under the Placement will be reduced by up to \$500,000.

Resolutions 5 to 8 seek approval for individual issues and are therefore not dependent on one another.

5.6 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 5 to 8:

- (a) the Director Shares will be issued to the Participating Directors and will be comprised of the following:
 - (i) 16,666,667 Shares, valued at \$250,000, to Antonio Torresan (or their nominee) pursuant to Resolution 5; and
 - (ii) 10,000,000 Shares, valued at \$100,000, to Paul Chapman (or their nominee) pursuant to Resolution 6; and
 - (iii) 3,333,333 Shares, valued at \$50,000, to Alec Pismiris (or their nominee) pursuant to Resolution 7; and
 - (iv) 3,333,333 Shares, valued at \$50,000, to Leslie Davis (or their nominee) pursuant to Resolution 8,each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of Antonio Torresan, Paul Chapman, Alec Pismiris and Leslie Davis each being a Director.
- (b) the maximum number of Director Shares to be issued is 33,333,334 (being the nature of financial benefit proposed to be given) and will be allocated in the proportions set out above;
- (c) the Director Shares will be fully paid ordinary shares in the capital of the Company and be issued on the same terms and conditions as the Company's existing fully paid ordinary shares;

- (d) the Director Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the purpose of the issue of Director Shares is to allow the to the Participating Directors to participate in the Placement set out in Section 1.1. The funds raised will be put towards the activities set out in Section 1.2;
- (f) the Participating Directors will participate in the Placement on the same terms as the institutional, professional and sophisticated investors who took part in the Placement. Consequently, the number of Shares to be issued to the Participating Directors has been determined based upon the number of Shares to be issued pursuant to the institutional, professional and sophisticated investors who took part in the Placement;
- (g) the Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the Shares to the Participating Directors upon the terms proposed;
- (h) the total remuneration package for each of the Directors in the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Proposed Remuneration Current Financial Year Ended 30 June 2023	Previous Financial Year Ended 30 June 2022
Antonio Torresan	\$36,000	\$36,000 ¹
Paul Chapman	\$36,000	\$76,000 ²
Alec Pismiris	\$72,000	\$72,000 ³
Leslie Davis	\$36,000	\$66,000 ⁴

Notes:

1. Comprising Director's salary of \$36,000.
 2. Comprising Director's salary of \$32,727, superannuation payment of \$3,273 and share based payment of \$40,000.
 3. Comprising Director's salary of \$36,000 and company secretarial fees of \$36,000.
 4. Comprising Director's salary of \$32,727, superannuation payment of \$3,273 and share based payment of \$30,000.
- (i) the issue price of the Director Shares will be \$0.015 per Share, being the issue price of the Shares issued to other participants in the Placement. The Company will not receive any other consideration in respect of the issue of the Director Shares;
 - (j) the Director Shares are not being issued under an agreement;
 - (k) the relevant interests of the Participating Directors in securities of the Company are set out below:

As at the date of this Notice

Related Party	Shares ¹	Options	Performance Rights	Interest in Shares on Issue ²
Antonio Torresan	69,000,000	8,000,000 ²	-	7.19%
Paul Chapman	56,955,000	6,600,000 ³	2,000,000	5.94%
Alec Pismiris	16,062,500	8,000,000 ⁴	-	1.67%
Leslie Davis	52,340,000	9,000,000 ⁵	1,500,000	5.46%

Post issue of Shares to Participating Directors

Related Party	Shares ¹	Options	Performance Rights	Interest in Shares on Issue ²	
Antonio Torresan	85,666,667	8,000,000	-	8.63%	
Paul Chapman	66,955,000	6,600,000	2,000,000	6.75%	
Alec Pismiris	19,395,833	8,000,000	-	1.95%	
Leslie Davis	55,673,333	9,000,000	1,500,000	5.61%	

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX:SHN).
2. Issued capital of the Company based on the assumption that no convertible securities vest or are exercised.
3. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.
4. Comprising of 6,600,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025
5. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.
6. Comprising of 9,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.

(l) if the Director Shares are issued this will increase the number of Shares on issue from 959,156,064 (being the total number of Shares on issue as at the date of this Notice) to 992,489,397 (assuming that no further Shares are issued and no Options are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.36%, comprising 1.68% by Antonio Torresan, 1.0% by Paul Chapman, 0.34% by Alec Pismiris and 0.34% by Leslie David;

(m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.039	18 May 2022
Lowest	\$0.013	20 March 2023
Last	\$0.16	17 May 2023

- (n) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 5 to 8; and
- (o) a voting exclusion statement is included in Resolutions 5 to 8 to the Notice.

6. RESOLUTION 9 TO 13 – ISSUE OF INCENTIVE OPTIONS TO DIRECTORS

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 20,000,000 Options to Antonio Torresan, Paul Chapman, Alec Pismiris, Leslie Davis and Damien Keys (or their nominee) (**Related Parties**) pursuant to the Employee Securities Incentive Plan (**Incentive Plan**) on the terms and conditions set out below (**Incentive Options**).

6.2 Director recommendation

Each Director has a material personal interest in the outcome of Resolutions 9 to 13 on the basis that all of the Directors (or their nominees) are to be issued Incentive Options should Resolutions 9 to 13 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 9 to 13 of this Notice.

6.3 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 5.3 above.

The issue of Incentive Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Incentive Options are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Incentive Options. Accordingly, Shareholder approval for the issue of Incentive Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

6.4 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Incentive Options to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 9 to 13 seek the required Shareholder approval for the issue of the Incentive Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

6.5 Technical information required by Listing Rule 14.1A

If each of Resolutions 9 to 13 are passed, the Company will be able to proceed with the issue of the Incentive Options to the Related Parties under the Incentive Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Options (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Options will not use up any of the Company's 15% annual placement capacity.

If any or all Resolutions 9 to 13 are not passed, the Company will not be able to proceed with the issue of the Incentive Options to the Related Parties under the Incentive Plan and the Board will need to evaluate other forms of incentive components to the remuneration package of the Related Parties.

Resolutions 9 to 13 seek approval for individual issues and are therefore not dependent on one another.

6.6 Technical Information required by Listing Rule 10.15 and section 219 of the Corporations Act

Pursuant to and in accordance with the requirements of Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 9 to 13:

- (a) the Incentive Options will be issued to the following persons:
 - (i) Antonio Torresan (or their nominee) pursuant to Resolution 9;
 - (ii) Paul Chapman (or their nominee) pursuant to Resolution 10;
 - (iii) Alec Pismiris (or their nominee) pursuant to Resolution 11; and
 - (iv) Leslie Davis (or their nominee) pursuant to Resolution 12; and
 - (v) Damien Keys (or their nominee) pursuant to Resolution 13,each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Incentive Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 20,000,000 comprising:
 - (i) 4,000,000 Incentive Options to Antonio Torresan (or his nominee) pursuant to Resolution 9;
 - (ii) 4,000,000 Incentive Options to Paul Chapman (or his nominee) pursuant to Resolution 10;
 - (iii) 4,000,000 Incentive Options to Alec Pismiris (or his nominee) pursuant to Resolution 11; and

- (iv) 4,000,000 Incentive Options to Leslie Davis (or his nominee) pursuant to Resolution 12; and
- (v) 4,000,000 Incentive Options to Damien Keys (or his nominee) pursuant to Resolution 13;
- (c) The Employee Securities Incentive Plan and no securities have been previously issued under the Employee Securities Incentive Plan;
- (d) a summary of the material terms and conditions of the Incentive Options are set out in Schedule 2;
- (e) the Incentive Options are unquoted Options. The Company has agreed to issue the Incentive Options to the Related Parties subject to Shareholder for the following reasons:
 - (i) the Incentive Options are unquoted; therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
 - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Incentive Options is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Incentive Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed;
- (f) the number of Incentive Options to be issued to each of the Related Parties has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of the Related Parties; and
 - (iii) incentives to attract and retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.
- (g) The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options upon the terms proposed;
- (h) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Proposed Remuneration Current Financial Year Ended 30 June 2023	Previous Financial Year Ended 30 June 2022
Antonio Torresan	\$36,000	\$36,000 ¹

Paul Chapman	\$36,000	\$76,000 ²
Alec Pismiris	\$72,000	\$72,000 ³
Leslie Davis	\$36,000	\$66,000 ⁴
Damien Keys	\$267,410	\$348,050 ⁵

Notes:

1. Comprising Director's salary of \$36,000.
 2. Comprising Director's salary of \$32,727, superannuation payment of \$3,273 and share based payment of \$40,000.
 3. Comprising Director's salary of \$36,000 and company secretarial fees of \$36,000.
 4. Comprising Director's salary of \$32,727, superannuation payment of \$3,273 and share based payment of \$30,000.
 5. Comprising Director's salary of \$225,500, superannuation payment of \$22,550 and share based payment of \$100,000.
- (i) the value of the Incentive Options and the pricing methodology is set out in Schedule 3;
- (j) the Incentive Options will be issued to the Related Parties no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
- (k) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options);
- (l) the purpose of the issue of the Incentive Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (m) a summary of the material terms and conditions of the Incentive Plan is set out in Schedule 4;
- (n) no loans are being made to the Related Parties in connection with the acquisition of the Incentive Options;
- (o) details of any Options issued under the Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (p) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Incentive Plan after Resolutions 9 to 13 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (q) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

As at the date of this Notice

Related Party	Shares ¹	Options	Performance Rights	Interest in Shares on Issue ²
Antonio Torresan	69,000,000	8,000,000 ²	-	7.19%
Paul Chapman	56,955,000	6,600,000 ³	2,000,000	5.94%
Alec Pismiris	16,062,500	8,000,000 ⁴	-	1.95%
Leslie Davis	52,340,000	9,000,000 ⁵	1,500,000	5.46%
Damien Keys	53,800,000	9,000,000 ⁵	5,000,000	5.61%

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX:SHN).
2. Issued capital of the Company based on the assumption that no convertible securities vest or are exercised.
3. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.
4. Comprising of 6,600,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025
5. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.
6. Comprising of 9,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.
7. Comprising of 9,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025.

Post issue of the Incentive Options to Related Parties

Related Party	Shares ¹	Options	Performance Rights
Antonio Torresan	69,000,000	12,000,000 ²	-
Paul Chapman	56,955,000	10,600,000 ³	2,000,000
Alec Pismiris	16,062,500	12,000,000 ⁴	-
Leslie Davis	52,340,000	13,000,000 ⁵	1,500,000
Damien Keys	53,800,000	13,000,000 ⁶	5,000,000

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX:SHN).
2. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025 and 4,000,000 unquoted Options exercisable at \$0.0225 on or before 30 June 2027.
3. Comprising of 6,600,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025 and 4,000,000 unquoted Options exercisable at \$0.0225 on or before 30 June 2027.
4. Comprising of 8,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025 and 4,000,000 unquoted Options exercisable at \$0.0225 on or before 30 June 2027.
5. Comprising of 9,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025 and 4,000,000 unquoted Options exercisable at \$0.0225 on or before 30 June 2027.

6. Comprising of 9,000,000 unquoted Options exercisable at \$0.03 on or before 30 September 2025 and 4,000,000 unquoted Options exercisable at \$0.0225 on or before 30 June 2027.
- (r) if the Incentive Options issued to the Related Parties are exercised, a total of 20,000,000 Shares would be issued. This will increase the number of Shares on issue from 959,156,064 (being the total number of Shares on issue as at the date of this Notice) to 979,156,064 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.05%, comprising 0.41% by Antonio Torresan, 0.41% by Paul Chapman, 0.41% by Alec Pismiris, 0.41% by Leslie Davis and 0.41% by Damien Keys;
- (s) The market price for Shares during the term of the Incentive Options would normally determine whether the Incentive Options are exercised. If, at any time any of the Incentive Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Options, there may be a perceived cost to the Company.
- (t) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.039	18 May 2022
Lowest	\$0.013	20 March 2023
Last	\$0.016	17 May 2023

- (u) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 9 to 13; and
- (v) a voting exclusion statement is included in Resolutions 9 to 13 of the Notice.

7. RESOLUTION 14 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 14 seeks the approval of Shareholders for the Company to change its name to "Sunshine Metals Limited".

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if Resolution 14 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

If Resolution 14 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Brisbane, Queensland.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Bell Potter or **Lead Manager** means Bell Potter Securities Limited (ACN 006 390 772) (AFSL 243 480).

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Sunshine Gold Limited (ACN 063 388 821).

Constitution means the Company's constitution.

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

Director Participation has the meaning set out in Section 1.1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Incentive Options has the meaning given in Section 6.1 and on the terms set out in Schedule 2.

Incentive Plan has the meaning given in Section 6.1 and its material terms summarised in Schedule 4.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Lead Manager Mandate has the meaning given in Section 1.3.

Lead Manager Options the meaning given in Section 1.3 on the terms set out in Schedule 1.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Participating Directors means Mr Antonio Torresan, Mr Paul Chapman, Mr Alec Pismiris and Mr Leslie Davis.

Placement has the meaning set out in Section 1.1.

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

Placement Shares means the Shares to be issued to the Placement Participants under the Placement.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Tranche 1 Placement Shares has the meaning set out in Section 1.1.

Tranche 2 Placement Shares has the meaning set out in Section 1.1.

SCHEDULE 1 – TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS

1. Entitlement

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

2. Exercise Price

Subject to paragraph 9, the amount payable upon exercise of each Option will be \$0.0225 (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (AEST) on the date that is on or before four years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

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

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

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

11. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. Transferability

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

SCHEDULE 2 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

1. Entitlement

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

2. Exercise Price

Subject to paragraph 9, the amount payable upon exercise of each Option will be \$0.0225 (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (AEST) on the date that is on or before 30 June 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

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

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

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

11. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. Transferability

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

SCHEDULE 3 – VALUATION OF OPTIONS

The Options to be issued to the Related Parties pursuant to Resolutions 9 to 13 have been independently valued.

Using the Hoadley Trading and Investment Tools ESO2 Trinomial Option Valuation model and based on the assumptions set out below, the Options were ascribed the following value:

Assumptions:	
Valuation date	11 May 2023
Market price of Shares	1.9 cents
Exercise price	2.25 cents
Expiry date (length of time from issue)	30 June 2027
Risk free interest rate	3.16%
Expected Future Volatility	90%
Early Exercise Multiple	2.5x
Dividend Yield	Nil
Indicative value per Related Party Option	\$0.00975
Total Value of Options	\$195,000
- Antonio Torresan (Resolution 9)	\$39,000
- Paul Chapman (Resolution 10)	\$39,000
- Alec Pismiris (Resolution 11)	\$39,000
- Leslie Davis (Resolution 12)	\$39,000
- Damien Keys (Resolution 13)	\$39,000

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 4 – TERMS AND CONDITIONS OF INCENTIVE PLAN

A summary of the material terms and conditions of the Incentive Plan (**Plan**) is set out below:

- (a) (**Eligible Participant**): Eligible Participant means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:
- (i) an employee or director of the Company or an individual who provides services to the Company;
 - (ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
 - (iii) a prospective person to whom paragraphs (i) or (ii) apply;
 - (iv) a person prescribed by the relevant regulations for such purposes; or
 - (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

- (b) (**Maximum allocation**): The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (i) the total number of Plan Shares (as defined in paragraph (n) below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 will be as approved by Shareholders from time to time (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

The Company will require prior Shareholder approval for the acquisition of equity securities under the Plan to Directors, their associates and any other person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

- (c) (**Purpose**): The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and

- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.
- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (Participant) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

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

earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

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

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

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

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

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

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

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank *pari passu* in all respects with the Shares of the same class. A

Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

- (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
- (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Page 42 Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

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

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

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

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11:00am (AEST) on Wednesday, 21 June 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.



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