### VIRIDIS MINING AND MINERALS LIMITED ACN 121 969 819 NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

**TIME**: 10:00 AM (WST)

**DATE**: Tuesday 12 September 2023

**PLACE**: Parmelia Hilton, 14 Mill Street, Perth, Western Australia 6000

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

This Notice 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 10:00AM (WST) on 10 September 2023.

#### BUSINESS OF THE MEETING

#### **AGENDA**

#### 1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES UNDER CAPITAL RAISING

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 8,800,000 Shares 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 – 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 up to 2,000,000 Options 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 INTRODUCTION AND FACILITATION 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 7.1 and for all other purposes, approval is given for the Company to issue up to 1,500,000 Shares 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 PERFORMANCE RIGHTS IN CONSIDERATION FOR ACQUISITION

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 up to 5,000,000 Performance Rights 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 TO ISSUE INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR - AGHA SHAHZAD PERVEZ

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 2,000,000 Performance Rights to

Agha Shahzad Pervez (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.

### 6. RESOLUTION 6 - APPROVAL TO ISSUE INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR - FAHEEM AHMED

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 400,000 Performance Rights to Faheem Ahmed (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.

## 7. RESOLUTION 7 – APPROVAL OF POTENTIAL TERMINATION BENEFITS IN RELATION TO THE PERFORMANCE RIGHTS PROPOSED TO BE ISSUED TO AGHA SHAHZAD PERVEZ UNDER THE EMPLOYEE SECURITIES INCENTIVE PLAN

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

"Subject to the passing of Resolution 5, for the purposes of section 200B and 200E of the Corporations Act, and Listing Rule 10.19 and for all other purposes, approval is given for the potential termination benefits in relation to the Performance Rights proposed to be issued to Agha Shahzad Pervez (or their nominee) under the Company's Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

# 8. RESOLUTION 8 – APPROVAL OF POTENTIAL TERMINATION BENEFITS IN RELATION TO THE PERFORMANCE RIGHTS PROPOSED TO BE ISSUED TO FAHEEM AHMED UNDER THE EMPLOYEE SECURITIES INCENTIVE PLAN

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

"Subject to the passing of Resolution 6, for the purposes of section 200B and 200E of the Corporations Act, and Listing Rule 10.19 and for all other purposes, approval is given for the potential termination benefits in relation to the Performance Rights proposed to be issued to Faheem Ahmed (or their nominee) under the Company's Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

#### 9. RESOLUTION 9 – APPROVAL TO ISSUE OPTIONS TO DIRECTOR – TIM HARRISON

To consider and, if thought fit, to pass, 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 200,000 Options to Tim Harrison

(or his nominee) 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.

Dated: 9 August 2023

By order of the Board

Shannon Robinson Company Secretary

#### **Voting Prohibition Statements**

Resolution 5 – Approval to issue Incentive Performance Rights to Director – Agha Shahzad Pervez 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.

However, 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 to issue Incentive Performance Rights to Director – Faheem Ahmed

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.

However, 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 7 - Approval of potential termination benefits in relation to the performance rights proposed to be issued to Agha Shahzad Pervez under the Employee Securities Incentive Plan

In accordance with section 250BD and section 200E(2A) 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.

However, the above prohibition does not apply if:

(a) the proxy is the Chair; and

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 8 - Approval of potential termination benefits in relation to the performance rights proposed to be issued to Faheem Ahmed under the Employee Securities Incentive Plan

In accordance with section 250BD and section 200E(2A) of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

(b) the proxy is the Chair; and

	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 9 – Approval to issue Options to Director –	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:		
Tim Harrison	(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)		pointment does not specify the way the proxy is to this Resolution.
	Howeve	er, the ab	ove 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 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 – Approval to issue Shares under Capital Raising	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 Capital Raising participants) or an associate of that person (or those persons).		
Resolution 2 – 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 Sixty Two Capital Pty Ltd) or an associate of that person (or those persons).		
Resolution 3 – Approval to issue Introduction and Facilitation 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 Kanata Capital) or an associate of that person (or those persons).		
Resolution 4 – Approval to issue Performance Rights in Consideration for Acquisition	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 Vendors) or an associate of that person (or those persons).		
Resolution 5 – Approval to issue Incentive Performance Rights to Director – Agha Shahzad	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 (including Agha Shahzad Pervez) or an associate of that person or those persons.		
Pervez	However, this does not apply to a vote cast in favour of this Resolution by:		
	(a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution that way; or		
	(b) the Chairperson 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 Chairperson to vote on the Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 – Approval to issue Incentive Performance Rights to Director – Faheem Ahmed

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 (including Faheem Ahmed) or an associate of that person or those persons.

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

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

Resolution 7 - Approval of potential termination benefits in relation to the performance rights proposed to be issued to Agha Shahzad Pervez under the Employee Securities Incentive Plan

Any of the following:

- (a) 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 (including Agha Shahzad Pervez); or
- (b) an officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit: or
- (c) an associate of that person or those persons.

Resolution 8 - Approval of potential termination benefits in relation to the performance rights proposed to be issued to Faheem Ahmed under the Employee Securities Incentive Plan

Any of the following:

- (a) 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 (including Faheem Ahmed); or
- (b) an officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit: or
- (c) an associate of that person or those persons.

Resolution 9 – Approval to issue Options to Director – Tim Harrison

Tim Harrison (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.

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

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

#### Voting 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 or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two 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.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 3 9071 1847.

#### **EXPLANATORY STATEMENT**

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

#### 1. BACKGROUND TO THE ACQUISITION AND CAPITAL RAISING

#### 1.1 Overview of Acquisition

As announced by the Company on 1 August 2023 (Acquisition Announcement), the Company has entered into a mineral rights agreement (Mineral Rights Agreement) pursuant to which it will acquire 100% of the rights in the rare earth minerals (REE Minerals) comprising the rare earths project named Colossus Rare Earth Project (Colossus Project), located in Pocos De Caldas, and the neighbouring cities of Aguas De Prata and Adradas, Brazil (Acquisition).

The vendors of the Colossus Project consist of Varginha Mineração Ltda, Minas Rio Mineradora Ltda, Fertimax Fertilizantes Organicos Ltda, Alumina Minerios Em Geral Ltda, Reynaldo Guazzelli Filho and Minina Santa Carolina Ltda (**Vendors**).

Completion of the Acquisition is subject to the following conditions precedent:

- (a) the Company having received firm commitments from sophisticated and professional investors to raise a minimum of AUD\$2,200,000 under a capital raising (Capital Raising); and
- (b) the Company obtaining all necessary regulatory, shareholder and thirdparty approvals to allow the Company to lawfully complete the Acquisition,

(together, the Conditions).

#### 1.2 Consideration

#### (a) Cash Payments

In consideration for the Acquisition, the Company has agreed to pay the Vendors cash payment of \$USD1,000,000 (approximately AUD\$1,500,000) upon settlement of the Acquisition (Settlement Date Payment). Funds raised under the Capital Raising (the subject of Resolution 1) will be applied towards the Settlement Date Payment. The Company has also agreed to make a second cash payment of \$USD1,000,000 (approximately AUD\$1,500,000) on the six-month anniversary of the Settlement Date Payment which will be financed via a subsequent capital raising proposed to undertaken in early 2024 (Stage Two Payment) (the Settlement Date Payment and Stage Two Payment are referred together as the Advance Royalty Payments).

#### (b) Performance Rights

In addition to the cash payments outlined above, the Company has agreed to issue the Vendors a total of 5,000,000 performance rights upon settlement of the Acquisition (**Performance Rights**). Resolution 4 seeks the approval of Shareholders for the issue of 5,000,000 Performance Rights under the Company's placement capacity under ASX Listing Rule 7.1. The Performance Rights will vest and become convertible into fully paid

ordinary Shares in the Company upon the satisfaction of the following milestones:

- (i) 1,666,667 Class A Performance Rights, upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 100Mt at or above a Total Rare Earths Oxide (**TREO**) grade of 1,500ppm in saprolite / clay, expiring on the date that is 5 years from the date of issue;
- (ii) 1,666,667 Class B Performance Rights, upon the delineation of an Indicated and Measured Mineral Resource Estimate (JORC 2012) of not less than 200Mt at or above a TREO grade of 1,500ppm in saprolite / clay, expiring on the date that is 5 years from the date of issue; and
- (iii) 1,666,666 Class C Performance Rights upon completion of positive feasibility studies, as evidenced by a decision to mine by the Company, expiring on the date that is 5 years from the date of issue.

#### (c) Royalty

The Company has agreed to grant the Vendors a 4.75% royalty on the Total Rare Earths Oxide extracted from the Colossus Project, payable once USD\$2,000,000 in royalties (the equivalent of the Advance Royalty Payments) have accrued from production at the Colossus Project.

#### 1.3 Background to Capital Raising

As set out in the Acquisition Announcement, in order to satisfy the Conditions, the Company is proposing to raise up to AUD\$2,200,000 (before costs) via the issue of Shares at an issue price of \$0.25 per Share.

The Capital Raising is to be undertaken by via a convertible loan from various sophisticated and professional investors under which funds will be lent on an interest free basis to the Company and will be automatically convertible into Shares on the receipt of Shareholder approval at a general meeting (scheduled to be held on or around 12 September 2023) (General Meeting) (Convertible Loan).

The Company expects to receive \$1,500,000 of the funds under the Convertible Loan by 15 August 2023. The remaining funds under the Convertible Loan (\$700,000) will be received prior to the date of the General Meeting.

The material terms and conditions of the Convertible Loan Agreement are set out in Schedule 2.

**Resolution 1** seeks the approval of Shareholders for the issue of up to 8,800,000 Shares on conversion of the Convertible Loan under the Convertible Loan Agreement, pursuant to the Company's placement capacity under ASX Listing Rule 7.1.

The Company has appointed Sixty Two Capital (ABN 13 611 480 169) (Sixty Two Capital), an authorised representative of AFSL 531982, as lead manager of the Capital Raising (Lead Manager). The Company and Sixty Two Capital have entered into an agreement to set out the terms of Sixty Two Capital's engagement (Lead Manager Mandate). A summary of the material terms of the Lead Manager Mandate is set out in Schedule 3.

#### 2. RESOLUTION 1 – APPROVAL TO ISSUE SHARES UNDER CAPITAL RAISING

#### 2.1 General

A Summary of the Capital Raising is set out in Section 1.3.

Resolution 1 seeks Shareholder approval for the issue of up to 8,800,000 Shares at an issue price of \$0.25 per Share to raise up to \$2,200,000 (before costs), on conversion of the Convertible Loan under the Convertible Loan Agreement (Convertible Loan Shares).

#### 2.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Th effect of Resolution 1 will be to allow the Company to issue the Convertible Loan Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The proposed issue of the Convertible Loan Shares 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.

#### 2.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Convertible Loan Shares. In addition, the issue of the Convertible Loan 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 1 is not passed, the Company will not be able to proceed with the issue of the Convertible Loan Shares and will be required to find an alternative financing method to satisfy the Settlement Date Payment to the Vendors under the Acquisition. The Company may also be required to negotiate an alternative arrangement with Sixty Two Capital.

#### 2.4 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 1:

- (a) the Convertible Loan Shares will be issued to professional and sophisticated investors, none of whom will be related parties of the Company, with the allocation to be determined by the Board in consultation with Sixty Two Capital;
- (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 Convertible Loan Shares to be issued is 8,800,000. The Convertible Loan 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 Capital Raising 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 Convertible Loan Shares will occur on the same date;
- (e) the issue price will be \$0.25 per Convertible Loan Share to raise up to \$2,200,000. The Company will not receive any other consideration for the issue of the Convertible Loan Shares;
- (f) the Company intends to apply the funds raised from the Convertible Loan as follows:
  - (i) \$380,000 of the funds towards exploration activities at the Colossus Project over the next 12 months;
  - (ii) \$1,620,000 towards the Settlement Date Payment and associated costs of the Acquisition; and
  - (iii) the remaining \$200,000 towards working capital of the Company,
- (g) a summary of the material terms of the Convertible Loan Agreement is set out in Schedule 2; and
- (h) the Convertible Loan Shares are not being issued under, or to fund, a reverse takeover.

#### 2.5 Dilution

Assuming no Options are exercised, no convertible securities are converted or other Shares issued and the maximum number of Capital Raising Shares are issued, the number of Shares on issue would increase from 35,397,889 (being the number of Shares on issue as at the date of this Notice) to 44,197,889 and the shareholding of existing Shareholders would be diluted by around 20%.

#### 3. RESOLUTION 2 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

#### 3.1 General

A summary of the Capital Raising and the appointment of the Lead Manager is set out in Section 1.3. The material terms of the Lead Manager Mandate are set out in Schedule 3.

Resolution 2 seeks Shareholder approval for the issue of 2,000,000 Options to the Lead Manager in consideration for lead manager services (**Lead Manager Options**).

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 fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

#### 3.2 Technical information required by Listing Rule 14.1A

Subject to the passing of Resolution 2, if Resolution 2 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 2 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options. This may result in the Company having to renegotiate the terms of the consideration under the Lead Manager Mandate.

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

#### 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 2:

- (a) the Lead Manager Options will be issued to Sixty Two Capital;
- (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 2,000,000. The terms and conditions of the Lead Manager Options are set out in Schedule 6;
- (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 consideration for Lead Manager services provided by Sixty Two Capital;
- (f) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations under the Lead Manager Mandate;

- (g) the Lead Manager Options are being issued to Sixty Two Capital under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate is set out in Schedule 3; and
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

#### 4. RESOLUTION 3 – APPROVAL TO ISSUE INTRODUCTION AND FACILITATION SHARES

#### 4.1 General

The Company is proposing to issue 1,500,000 Shares as an introduction and facilitation fee on the Acquisition payable to Kanata Minerals Pty Ltd (or its nominees) (Kanata Minerals) (Introduction Shares).

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 Introduction Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

#### 4.2 Technical information required by Listing Rule 14.1A

Subject to the passing of resolution 3, if Resolution 3 is passed, the Company will be able to proceed with the issue of the Introduction Shares. In addition, the issue of the Introduction 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 Introduction Shares and may need to consider an alternative method of consideration payable to Katana Minerals Pty Ltd.

This Resolution seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Introduction Shares.

#### 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 this Resolution:

- (a) the Introduction Shares will be issued to Kanata Minerals Pty Ltd;
- (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 Introduction Shares to be issued is 1,500,000. The Introduction 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 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 Introduction Shares will occur on the same date;
- (e) the Introduction Shares will be issued at a nil issue price as an introduction and facilitation fee;
- (f) the purpose of the issue of the Introduction Shares is to provide Kanata Minerals with a fee for introducing the Acquisition to the Company and helping facilitate the Acquisition;
- (g) the Introduction Shares are being issued under an agreement between the Company and Katana Minerals. Under the agreement, the Company agreed to issue Katana Minerals the Introduction Shares in consideration for introducing the Acquisition to the Company and helping facilitate the Acquisition. The agreement between the Company and Katana Minerals did not include any other terms; and
- (h) the Introduction Shares are not being issued under, or to fund, a reverse takeover.

### 5. RESOLUTION 4 - APPROVAL TO ISSUE PERFORMANCE RIGHTS IN CONSIDERATION FOR ACQUISITION

#### 5.1 General

A summary of the Acquisition is set out in Section 1.1 and a summary of the consideration to be paid to the Vendors is set out in Section 1.2.

Resolution 4 seeks Shareholder approval for the issue of 5,000,000 Performance Rights to the Vendors in consideration for the Acquisition (**Vendor Performance Rights**). The Performance Rights will vest and become convertible into Shares upon the satisfaction of the milestones set out in Section 1.2.

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 Vendor Performance Rights 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.

#### 5.2 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 Vendor Performance Rights. In addition, the issue of the Vendor Performance Rights 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 Vendor Performance Rights and may be in breach of its obligations under the Mineral Rights Agreement entered into with the Vendors.

#### 5.3 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 this Resolution 4:

- (a) the Performance Rights will be issued to the Vendors;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Vendors 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 Vendor Performance Rights to be issued is 5,000,000. The terms and conditions of the Vendor Performance Rights are set out in Schedule 4;
- (d) the Vendor Performance Rights 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 Performance Rights will occur on the same date;
- (e) the Vendor Performance Rights will be issued at a nil issue price, in consideration for the Acquisition;
- (f) the Vendor Performance Rights are being issued to the Vendors under the Mineral Rights Agreement, a summary of which is set out in Schedule 1.
- (g) the Vendor Performance Rights are not being issued under, or to fund, a reverse takeover.

### 6. RESOLUTION 5 AND 6 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTORS – AGHA SHAHZAD PERVEZ AND FAHEEM AHMED

#### 6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 2,400,000 Performance Rights (Incentive Performance Rights) to Agha Shahzad Pervez (or his nominee) and Faheem Ahmed (or his nominee) (Related Parties) pursuant to the Employee Securities Incentive Plan (Incentive Plan) and on the terms and conditions set out below.

Resolutions 5 and 6 seek the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.14.

#### 6.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The issue of the Incentive Performance Rights to the Related Parties (or their nominees) constitutes giving a financial benefit and Agha Shahzad Pervez and Faheem Ahmed are related parties of the Company by virtue of being Directors.

The Directors (other than Agha Shahzad Pervez and Faheem Ahmed) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Performance Rights, because the issue of Incentive Performance Rights constitutes reasonable remuneration payable to Agha Shahzad Pervez and Faheem Ahmed.

#### 6.3 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 Performance Rights to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

#### 6.4 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Incentive Performance Rights will be issued to the following persons:
  - (i) Agha Shahzad Pervez (or his nominee) pursuant to Resolution 5; and
  - (ii) Faheem Ahmed (or his nominee) pursuant to Resolution 6,

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 Performance Rights to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 2,400,000 comprising:
  - (i) 2,000,000 Incentive Performance Rights to Agha Shahzad Pervez (or his nominee) pursuant to Resolution 5; and
  - (ii) 400,000 Incentive Performance Rights to Faheem Ahmed (or his nominee) pursuant to Resolution 6,
- (c) No Performance Rights have previously been issued under the Employee Securities Incentive Plan:
- (d) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 5;
- (e) a summary of the material terms and conditions of the Employee Securities Incentive Plan is set out in Schedule 9;
- (f) the Incentive Performance Rights are unquoted securities. The Company has chosen to issue Incentive Performance Rights to the Related Parties for the following reasons:
  - (i) the Incentive Performance Rights are unquoted, therefore, the issue of the Incentive Performance Rights has no immediate dilutionary impact on Shareholders;
  - (ii) the issue of the Incentive Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
  - (iii) the milestones attaching to the Incentive Performance Rights will align the interests of the Related Parties with those of Shareholders; and
  - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Performance Rights on the terms proposed;
- (g) the current total remuneration package for Agha Shahzad Pervez is \$220,500, comprising of directors' salary of \$54,000 plus payment for consultancy services of \$166,500. In additional to the directors fee, Agha Shahzad Pervez has a consultancy agreement of \$1500 per day with an average of 9 days per month. If the Incentive Performance Rights are issued, the total remuneration package of Agha Shahzad Pervez will increase by \$318,500 to \$539,000, being the value of the Incentive Performance Rights (based on the Parisian Barrier1 Model);
- (h) the current total remuneration package for Faheem Ahmed is \$54,000 per annum, comprising of directors' salary of \$54,000. If the Incentive Performance Rights are issued, the total remuneration package of Faheem Ahmed will increase by \$382,200 to \$436,200, being the value of the Incentive Performance Rights (based on the Parisian Barrier1 Model);

- (i) the value of the Incentive Performance Rights and the pricing methodology is set out in Schedule 8;
- (j) the Incentive Performance Rights 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 Performance Rights will be issued on one date;
- (k) the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights;
- (I) no loans are being made to the Related Parties in connection with the acquisition of the Incentive Performance Rights;
- (m) details of any Performance Rights issued under the Employee Securities 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;
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Employee Securities Incentive Plan after Resolution 5 and 6 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

#### 6.5 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the Employee Securities 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 Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If these Resolutions are not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the Employee Securities Incentive Plan and may need to use an alternative method of incentivising the Related Parties.

# 7. RESOLUTION 7 AND 8 - APPROVAL OF POTENTIAL TERMINATION BENEFITS IN RELATION TO THE PERFORMANCE RIGHTS PROPOSED TO BE ISSUED TO AGHA SHAHZAD PERVEZ AND FAHEEM AHMED UNDER THE EMPLOYEE SECURITIES INCENTIVE PLAN

#### 7.1 General

Resolutions 7 and 8 seek Shareholder approval in accordance with Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act), Listing Rule 10.19 and for all other purposes, for the Company to give certain termination benefits to Agha Shahzad Pervez and Faheem Ahmed (**Related Parties**) in connection with these persons ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a related body corporate.

#### 7.2 Part 2D.2 of the Corporations Act and Listing Rule 10.19

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provide certain limitations on the payment of 'termination benefits' to officers of listed entities.

Agha Shahzad Pervez details were included in the 30 June 2022 Director's Report but as Faheem Ahmed does not technically hold a 'managerial or executive office' for the purposes of section 200AA of the Corporations act (as he was appointed following the publication of the Director's Report for the previous financial year, it is acknowledged by the Company that Faheem Ahmed does hold such an office.

The term 'benefit' has a wide operation and includes any automatic and accelerated vesting of Performance Rights upon termination or cessation of employment in accordance with their terms, or the exercise of any Board discretion regarding the same.

The Incentive Plan (as defined in Section 6.1 above) allows for Board discretion in the following circumstances:

- (a) discretion to allow Performance Rights to remain on foot and capable of vesting, notwithstanding that the participant ceases to be employed by the Company; and
- (b) a general discretion to reduce or waive vesting conditions to Performance Rights in whole or in part at any time and in any particular case, which might include upon the termination or cessation of employment.

The exercise of the above discretions by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act and Listing Rule 10.19. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of the Incentive Performance Rights proposed to be issued under the Plan to the Related Parties.

#### 6.5.1 Part 2D.2 of the Corporations Act

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in connection with the retirement from their position in the Company or its related bodies corporate, unless an exception applies.

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a relevant person's retirement from an office, the Company must, subject to various exceptions, obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

Provided shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give the Related Parties under the Incentive Plan in connection with their retirement cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors

such as the Company's share price at the time of vesting and the number of Performance Rights that will vest or remain on foot. The following additional factors may also affect the benefit's value:

- (a) the Related Party's length of service and the status of the vesting conditions attaching to the relevant Performance Rights at the time the participant's employment or office ceases; and
- (b) the number of unvested Performance Rights that the Related Party holds at the time they cease employment or office.

#### 6.5.2 Listing Rule 10.19

Listing Rule 10.19 provides that without Shareholder approval, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (5% Threshold).

Depending on the value of the termination benefits (as detailed above), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if the value of the termination benefits payable to the Related Parties would exceed the 5% Threshold. Shareholder approval is being sought under Listing Rule 10.19 in order to give the Company flexibility, in case the value of the potential termination benefits exceeds this 5% Threshold.

If Resolutions 7 and 8 are passed, the Company will be able to give termination benefits to Agha Shazad Pervez and Faheem Ahmed in relation to the Incentive Performance Rights proposed to be issued to Agha Shazad Pervez and Faheem Ahmed under Resolutions 5 and 6, which may exceed the 5% Threshold in connection with these persons ceasing to hold managerial or executive office.

If this Resolutions 7 and 8 are not passed, the Company will not be able to give the termination benefits to Agha Shazad Pervez and Faheem Ahmed in relation to the Incentive Performance Rights proposed to be issued to Agha Shazad Pervez and Faheem Ahmed under Resolutions 5 and 6, where those termination benefits exceed the 5% Threshold.

Voting exclusion statements and voting prohibition statements are included in Resolutions 7 and 8 of the Notice.

#### 8. RESOLUTION 9 – ISSUE OF OPTIONS TO DIRECTOR – TIM HARRISON

#### 8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 200,000 Options (**Options**) to Tim Harrison (or his nominee(s)) (**Related Party**) on the terms and conditions set out below.

Resolution 9 seeks Shareholder approval for the issue of the Options to the Related Party.

#### 8.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 6.2 above.

The issue of Options to the Related Party constitutes giving a financial benefit and Tim Harrison is a related party of the Company by virtue of being a Director.

The Directors (other than Tim Harrison who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to issue the Options, reached as part of the remuneration package for Tim Harrison, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

#### 8.3 **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 issue of Options 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.

Resolution 9 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

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

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Options to the Related Party 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 Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Options and the Company may have to identify and implement alternative means of recruiting, retaining and incentivising appropriately qualified and experienced staff members (including potentially cash-based incentive arrangements).

#### 8.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) the Options will be issued to Tim Harrison (or his nominee) pursuant to Resolution 7, who falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Options to be issued to the Related Party (or his nominee) is 200,000 comprising:
- (c) the terms and conditions of the Options are set out in Schedule 6;
- (d) the Options 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 Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for the Related Party to align the interests of the Related Party with those of Shareholders, to motivate and reward the performance of the Related Party in his role as Director and to provide a cost effective way from the Company to remunerate the Related Party, 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 Party;
- (g) the current total remuneration package for the Related Party is \$54,000, comprising of directors' fee of \$54,000. If the Options are issued, the total remuneration package of the Related Party will increase by \$16,250 to \$72,50, being the value of the Options (based on the Black Scholes methodology):
- (h) the value of the Options and the pricing methodology is set out in Schedule 7:
- (i) the Options are not being issued under an agreement; and
- (j) a voting exclusion statement is included in Resolution 9 of the Notice.

#### **GLOSSARY**

\$ means Australian dollars.

**Acquisition** has the meaning given in Section 1.1.

Advanced Royalty Payment has the meaning given in Section 1.2(b).

**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.

**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.

Capital Raising has the meaning given in Section 1.1.

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.

Colossus Project has the meaning given in Section 1.1

Company means Viridis Mining and Minerals Limited (ACN 121 969 819).

**Constitution** means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

**Convertible Loan** has the meaning given in Section 1.3.

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**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** means Sixty Two Capital Pty Ltd (ABN 13611480169).

**Listing Rules** means the Listing Rules of ASX.

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

**Mineral Rights Agreement** has the meaning given in Section 1.1.

**Notice** 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.

**Performance Right** has the meaning given in Section 1.2(b).

**Proxy Form** means the proxy form accompanying the Notice.

**REE Minerals** has the meaning given in Section 1.1.

**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.

**Settlement Date Payment** has the meaning given in Section 1.2(a).

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

**Shareholder** means a registered holder of a Share.

**Stage Two Payment** has the meaning given in Section 1.2(a).

**TREO** means Total Rare Earths Oxide.

**Vendors** has the meaning given in Section 1.1.

**WST** means Western Standard Time as observed in Perth, Western Australia.

#### SCHEDULE 1 – SUMMARY OF THE MINERAL RIGHTS AGREEMENT

The key terms and conditions of the Mineral Rights Agreement are as follows:

Transaction	The Company has agreed to acquire 100% of the rights in the REE Minerals comprising the rare earths at the Colossus Project from the Vendors (the <b>Acquisition</b> ).			
Consideration	Cash Payments			
		sideration for the Proposed Transaction, the Company proposes to he following cash payments to the Vendors:		
	(a)	Settlement Date Payment: Upon settlement of the Propose Transaction, the Company will pay the Vendors a non-refundable cash payment of USD\$1,000,000, subject to confirmation from AST that Chapter 11 of the ASX Listing Rules doesn't apply to the Proposed Transaction; and		
	(b)	<b>Stage 2 Payment</b> : Within 5 business days of the six-month anniverso of the Settlement Date Payment, the Company will pay the Vendors USD\$1,000,000.		
		(togethe	er, the <b>Advance Royalty Payments</b> ).	
		Perform	ance Rights	
		On settlement of the Proposed Transaction, the Company proposes to issue the Vendors 5,000,000 performance rights ( <b>Performance Rights</b> ) that will vest and become convertible into fully paid ordinary shares ( <b>Shares</b> ) in the Company (on a one-for-one basis) upon the satisfaction of the following milestones:		
		(i)	1,666,667 Class A Performance Rights, upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 100Mt at or above a Total Rare Earths Oxide ( <b>TREO</b> ) grade of 1,500ppm in saprolite / clay, expiring on the date that is 5 years from the date of issue.	
		(ii)	1,666,667 Class B Performance Rights, upon the delineation of an Indicated and Measured Mineral Resource Estimate (JORC 2012) of not less than 200Mt at or above a TREO grade of 1,500ppm in saprolite / clay, expiring on the date that is 5 years from the date of issue.	
		(iii)	1,666,666 Class C Performance Rights upon completion of positive feasibility studies, as evidenced by a decision to mine by the Company, expiring on the date that is 5 years from the date of issue.	
	Royalty			
	The Company proposes to grant the Vendors a 4.75% royalty on the TREO extracted from the Colossus Project ( <b>Royalty</b> ). The Royalty is payable once USD\$2,000,000 in royalties (the equivalent of the Advance Royalty Payments) have accrued from production at the Colossus Project.			

### Initial capital raising

In order to finance the Proposed Transaction, the Company intends to undertake two capital raisings (**Capital Raisings**).

#### **Initial Capital Raising**

Under the first capital raising, the Company will raise a minimum of \$2,200,000 via the issue of 8,800,000 Shares to sophisticated and professional investors at an issue price of \$0.25 per Share (**Initial Capital Raising**).

#### **Subsequent Capital Raising**

In order for the Company to finance the Stage 2 Payment under the Proposed Transaction, the Company is proposing to conduct a subsequent capital raising to raise a minimum of \$2,000,000 via the issue of 6,666,667 Shares to sophisticated and professional investors at an issue price of at \$0.30 per Share (Subsequent Capital Raising).

#### **Material terms**

#### **Production Penalty**

If production is not achieved within 5 years from the Settlement Payment Date, the Company can elect to either:

- (a) pay the Vendors a non-refundable penalty of US\$1 million per year for the maximum of 4 years; or
- (b) pay the Vendors a penalty of US\$600,000 per month as an advance payment royalty for the maximum of 4 years, which will be paid back upon production.

VMM would have the right to make this election by the end of fourth anniversary of the Settlement Payment Date.

#### Minimum Expenditure

The Company would be required to invest in mineral research work, and complete a minimum of 5,000 metres of drilling per year during the first two years from the Settlement Payment Date.

#### **Minimum Production**

Upon the commencement of production at the Colossus Project, and subject to the delineation of Indicated Mineral Resource Estimate (JORC 2012) of not less than 200MT at or above a TREO grade of 1,500 PPM with 30% recovery, the Company would pay the Vendors a royalty on a monthly minimum of 210t of REO for the first four years, even if the quantity produced and sold has been lower. From the fifth year on, the Company would pay the Vendors royalties on a monthly minimum of 420t of REO, even if the quantity produced and sold has been lower.

### **Conditions** precedent

Completion of the Proposed Transaction (**Completion**) is subject to satisfaction (or waiver) of the following conditions precedent:

- (a) Execution of a binding mineral rights agreement;
- (b) VMM having received firm commitments to raise a minimum of A\$2,200,000 under the Initial Capital Raising;
- (c) the Company having completed legal, technical and financial due diligence on the Colossus Project;
- (d) the Company having obtained confirmation from the ASX that ASX Listing Rule 11 does not apply to the Proposed Transaction; and
- (e) the Company obtaining all necessary regulatory, shareholder and third party approvals to allow the Company to lawfully complete the Proposed Transaction (including shareholder approvals pursuant to ASX Listing Rule 7.1),

(together, the Conditions).

#### **SCHEDULE 2 – MATERIAL TERMS - CONVERTIBLE LOAN AGREEMENT**

Parties	Virdis Mining and Minerals Limited ( <b>Borrower</b> ) and various sophisticated and professional investors ( <b>Lender</b> ).		
Loan Amount	\$2,200,000		
Purpose	The Borrower must use the amounts drawn down under the Loan to pay to the Vendors the Settlement Date Payment.		
Coupon	No interest is payable on the Loan Amount outstanding from time to time.		
Conversion of the Loan	The Lender irrevocably directs the Borrower to satisfy repayment of the Loan by applying the Loan in payment for the subscription of fully paid ordinary shares in the capital of the Borrower ( <b>Shares</b> ).		
Conditions Precedent to Conversion	The conversion of the Loan into Shares is subject to and conditional upon the Borrower obtaining Shareholder Approval in a general meeting to convert the Loan into Shares.		
	The Loan will convert automatically in the event Shareholder Approval is received.		
Conversion Price	\$0.25		
Issue Date	2 Business Days following receipt of Shareholder Approval		
Security	The Loan is unsecured.		

The Convertible Loan Agreement otherwise contains terms and conditions considered standard for an agreement of this kind.

#### SCHEDULE 3 - MATERIAL TERMS - LEAD MANAGER MANDATE

Term	The engagement commenced on 28 July 2023 and will continue until the earlier of completion of the Capital Raising or termination in accordance with the terms and conditions of the Lead Manager Mandate.		
Fees	The Company agreed to pay/issue Sixty Two Capital:		
	(a) a placement fee of 6% of the amount raised under the Capital Raising; and		
	(b) 2,000,000 Lead Manager Options. The Company is seeking Shareholder approval to issue the Lead Manager Options pursuant to Resolution 2.		
	In addition, the Company agrees to reimburse Sixty Two Capital for al reasonable out of pocket expenses incurred in undertaking its role, with any expenses above \$500 requiring prior approval of the Company.		
Termination	Either the Company or Sixty Two Capital may terminate the Lead Manager Mandate by giving the other party 30 days written notice.		
	If either party fails to perform a material obligation under the Lead Manager Mandate and the other party does not remedy the failure within 14 days of being required to do so by written demand, the other party may terminate the Lead Manager Mandate with immediate effect, without prejudice to any other available right or remedy.		

The Lead Manager Mandate otherwise contains terms and conditions considered standard for an agreement of this kind.

#### SCHEDULE 4 – TERMS AND CONDITIONS OF THE VENDOR PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Vendor Performance Rights:

#### (a) Milestones – Consideration for Acquisition

The Performance Rights in consideration for the Acquisition will vest upon satisfaction of the following milestones:

Class	Number	Milestone	Expiry
A	1,666,667	Upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 100Mt at or above a Total Rare Earths Oxide (TREO) grade of 1,500ppm in saprolite / clay.	Expiring on the date that is 5 years from the date of issue.
В	1,666,667	Upon the delineation of an Indicated and Measured Mineral Resource Estimate (JORC 2012) of not less than 200Mt at or above a TREO grade of 1,500ppm in saprolite / clay.	years from the
С	1,666,666	Upon completion of positive feasibility studies, as evidenced by a decision to mine by the Company.	

#### (b) Notification to holder

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

#### (c) Conversion

Subject to paragraph (m), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

#### (d) Consideration

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

#### (e) Share ranking

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other existing Shares.

#### (f) Application to ASX

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

#### (g) Timing of issue of Shares on conversion

Within 5 business days after the date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

#### (h) Transfer of Performance Rights

The Performance Rights are not transferable.

#### (i) Participation in new issues

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.

#### (j) Reorganisation of capital

If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

#### (k) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

#### (I) Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

#### (m) Change in control

Subject to paragraph (n) upon:

- (i) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

#### (n) Deferral of conversion if resulting in a prohibited acquisition of Shares

If the conversion of a Performance Right under paragraphs (c) or (m) would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) (General Prohibition) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within 7 days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

#### (o) No rights to return of capital

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

#### (p) Rights on winding up

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

#### (q) ASX Listing Rule compliance

The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.

#### (r) No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.

#### SCHEDULE 5 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Incentive Performance Rights:

#### (a) Milestones – Incentive Performance Rights

The Incentive Performance Rights for Agha Shahzad Pervez will vest upon satisfaction of the following milestones:

Class	Number	Milestone	Expiry
D	500,000	The Share price of the Company achieving at least a 20-day VWAP of \$0.60.	Expiring on the date that is 5 years from the date of issue
Е	500,000	The Share price of the Company achieving at least a 20-day VWAP of \$0.80.	Expiring on the date that is 5 years from the date of issue
F	1,000,000	The Share price of the Company achieving at least a 20-day VWAP of \$1.00.	Expiring on the date that is 5 years from the date of issue

The Incentive Performance Rights for Faheem Ahmed will vest upon satisfaction of the following milestones:

Class	Number	Milestone	Expiry
D	100,000	The Share price of the Company achieving at least a 20-day VWAP of \$0.60.	Expiring on the date that is 5 years from the date of issue
Е	100,000	The Share price of the Company achieving at least a 20-day VWAP of \$0.80.	Expiring on the date that is 5 years from the date of issue
F	200,000	The Share price of the Company achieving at least a 20-day VWAP of \$1.00.	Expiring on the date that is 5 years from the date of issue

#### (b) Notification to holder

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

#### (c) Conversion

Subject to paragraph(m), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

#### (d) Consideration

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

#### (e) Share ranking

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other existing Shares.

#### (f) Application to ASX

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

#### (g) Timing of issue of Shares on conversion

Within 5 business days after the date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

#### (h) Transfer of Performance Rights

The Performance Rights are not transferable.

#### (i) Participation in new issues

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.

#### (j) Reorganisation of capital

If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be

changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

### (k) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

## (I) Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

## (m) Change in control

Subject to paragraph (n), upon:

- (i) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

### (n) Deferral of conversion if resulting in a prohibited acquisition of Shares

If the conversion of a Performance Right under paragraphs (c) or (m) would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) (General Prohibition) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

(i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of

the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within 7 days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

## (0) No rights to return of capital

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

### (p) Rights on winding up

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

## (q) ASX Listing Rule compliance

The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.

### (r) No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.

# SCHEDULE 6 – TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS AND OPTIONS TO BE ISSUED TO DIRECTOR, TIM HARRISON

### (a) **Entitlement**

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

### (b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.40 (Exercise Price)

## (c) Expiry Date

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### (d) Exercise Period

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

### (e) Notice of Exercise

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

## (f) Exercise Date

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

## (g) Timing of issue of Shares on exercise

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

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

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

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

### (h) Shares issued on exercise

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

## (i) 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.

## (j) 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.

### (k) 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.

### (I) Transferability

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

## SCHEDULE 7 - VALUATION OF OPTIONS TO BE ISSUED TO DIRECTOR, TIM HARRISON

The Options to be issued to the Related Party pursuant to Resolution 7 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

Assumptions:	
Valuation date	28/07/2023
Market price of Shares	25 cents
Exercise price	40 cents
Expiry date (length of time from issue)	3 years from issue
Risk free interest rate	3.82%
Volatility (discount)	65%
Indicative value per Related Party Option	8.1 cents
Total Value of Options	\$16,257

**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 8 – VALUATION OF INCENTIVE PERFORMANCE RIGHTS TO BE ISSUED TO DIRECTORS

The Incentive Performance Rights to be issued to the Related Parties pursuant to Resolutions 5 and 6 have been independently valued.

The Incentive Performance Rights were valued using the Parisian Barrier1 Model (using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model) and based on the assumptions set out below:

Item	
Value of the underlying Shares	\$0.25
Valuation date	28 July 2023
Share price targets	20-day VWAP of at least A\$0.60, A\$0.80 and A\$1.00 for Classes D, E and F respectively.
Implied barrier price	Approximately A\$0.7514, A\$1.0019 and A\$1.2523 for Classes D, E and F respectively (calculated from Hoadley's Parisian Model based on the respective share price targets of the Incentive Performance Rights and the equivalent of 28 calendar days based on the '20-day VWAP or 20 consecutive trading day' requirement)
Days to vesting/expiry	5.13 years or 1874 days (from the assumed grant date to the expiry date being 13 September 2028)
Volatility	Approximately 65%
Risk-free interest rate	3.79%
Total Value of Incentive Performance Rights	\$382,000
- 2,000,000 (Resolution 5)	\$318,500
- 4,000,000 (Resolution 6)	\$63,700

**Note:** The valuation noted above is not necessarily the market price that the Incentive Performance Rights could be traded at and is not automatically the market price for taxation purposes

## SCHEDULE 9 – SUMMARY OF THE MATERIAL TERMS OF THE EMPLOYEE SECURITIES INCENTIVE PLAN

The following is a summary of the material terms and conditions of the Employee Securities Incentive Plan (Incentive Plan):

1. (Eligible Participant): A person is eligible to participate in the Incentive Plan (Eligible Participant) if they have been determined by the Board to be eligible to participate in the New Plan from time to time and are 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:

- (a) an employee or director of the Company or an individual who provides services to the Company;
- (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (c) a prospective person to whom paragraphs (a) or (b) apply;
- (d) a person prescribed by the relevant regulations for such purposes; or
- (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).

## 2. (Maximum allocation):

- (a) The Company must not make an offer of Securities under the Incentive 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 13 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 Incentive 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.

- **3.** (**Purpose**): The purpose of the Incentive Plan is to:
  - (a) assist in the reward, retention and motivation of Eligible Participants;
  - (b) link the reward of Eligible Participants to Shareholder value creation; and
  - (c) 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.

- **4. (Plan administration)**: The Incentive Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Incentive 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.
- 5. (Eligibility, invitation and application): The Board may from time to time determine that an Eligible Participant may participate in the Incentive 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 Incentive 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.

- 6. (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 Incentive Plan rules and any ancillary documentation required.
- 7. (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 Incentive 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.

- 8. (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.
- **9. (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 Incentive Plan rules, or such earlier date as set out in the Incentive Plan rules.

- 10. (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 Incentive Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- 11. (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 yest.

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 Incentive Plan rules: 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 any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

- 12. (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.
- 13. (Rights attaching to Plan Shares): All Shares issued under the Incentive 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 Incentive 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.
- **14.** (**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.

15. (Adjustment of Convertible Securities): If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing

Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

- **16.** (**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.
- 17. (Amendment of Plan): Subject to the following paragraph, the Board may at any time amend any provisions of the Incentive Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Incentive Plan and determine that any amendments to the Incentive Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Incentive 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.

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



Viridis Mining and Minerals Limited ABN 41 121 969 819

## **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 10.00am (WST) on Sunday, 10 September 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 bu 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/#/log insah

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)

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible)

Date (DD/MM/YY)

Contact Dautime Telephone