

6 September 2023

## Letter to Shareholders regarding General Meeting

Dear Shareholder

Azure Minerals Limited (ASX:AZS) (**Azure** or the **Company**) advises that it will be holding a General Meeting of shareholders on Friday, 6 October 2023 (**Meeting**) commencing at 11:00am (WST) at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

In accordance with Part 1.2AA of the *Corporations Act 2001* (Cth), the Company will not be sending hard copies of the Notice of Meeting to shareholders. Instead, the Notice of Meeting can be viewed and downloaded from the website link:

<https://azureminerals.com.au/investors/asx-announcements/>

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Computershare Investor Services Pty Limited (**Computershare**), on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia).

### Submitting your vote in advance of the meeting

A copy of your personalised proxy form is enclosed for convenience. Please complete and return the attached proxy form to the Company's share registry, Computershare through one of the following options:

#### Online:

At [www.investorvote.com.au](http://www.investorvote.com.au)

#### Mail:

Share Registry – Computershare Investor Services Pty Limited

GPO Box 242

Melbourne Victoria 3001, Australia

#### Mobile:

Scan the QR Code on your proxy form and follow the prompts

#### Custodian Voting:

For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

 [www.azureminerals.com.au](http://www.azureminerals.com.au)



Your proxy voting instruction must be received by 11:00am (WST) on Wednesday, 4 October 2023, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

If any changes are required, the Company will advise Shareholders by way of announcement on ASX and the details will also be made available on our website at:

<https://azureminerals.com.au/investors/asx-announcements/>

The Company will advise Shareholders as soon as practicable, if any of the above circumstances change.

Authorised for release by the Board of Azure Minerals Limited.

**For enquiries, contact:**

Brett Dickson  
Company Secretary  
+61 8 6187 7500

[admin@azureminerals.com.au](mailto:admin@azureminerals.com.au)





**Azure Minerals Limited**  
**ABN 46 106 346 918**

**Notice of General Meeting and  
Explanatory Memorandum**

**Date of Meeting**

6 October 2023

**Time of Meeting**

11.00am (WST)

**Place of Meeting**

The Park Business Centre  
45 Ventnor Avenue  
West Perth WA 6005

**A Proxy Form is enclosed**

Please read this Notice of General Meeting and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

# Azure Minerals Limited

ABN 46 106 346 918

## Notice of General Meeting

**NOTICE IS GIVEN** that a General Meeting of Shareholders of Azure Minerals Limited ABN 46 106 346 918 (**Company**) will be held at The Park Business Centre, 45 Ventnor Avenue, West Perth on 6 October 2023 at 11.00am (WST) for the purpose of transacting the business referred to in this Notice of General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice. Terms used in the Resolutions contained in this Notice have the meaning given to them in the glossary in the Explanatory Memorandum.

### Agenda

### Resolutions

#### 1. Resolution 1 – Ratification of prior issue of Shares - Tranche 1 of the Placement

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 41,639,663 Shares on the terms and conditions set out in the Explanatory Memorandum."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the issue the subject of Resolution 1 or who is a counterparty to the agreement being approved or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast in favour of Resolution 1 by or on behalf of:

- (a) a person as a proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote on Resolution 1 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 Resolution 1; and
  - (ii) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### 2. Resolution 2 – Placement participation of the Creasy Group

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 to issue 6,683,978 Shares (**Yandal Shares**) to Yandal Investments Pty Ltd (**Yandal**) or its nominee, on the terms and conditions set out in the Explanatory Memorandum."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- (a) Yandal or its nominee;
- (b) 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
- (c) an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of Resolution 2 by or on behalf of:

- (d) a person as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with a direction given to the Chair to vote on the Resolution as the Chairman decides; or

- |      |                                                                                                                                                                                              |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (f)  | 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 Resolution 2; and |
| (ii) | the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote that way.                                                                |

**By order of the Board**

**Brett Dickson**

Company Secretary

Dated: 25 August 2023

## How to vote

Voting on all proposed Resolutions at the Meeting will be conducted by poll. Under the Constitution, any poll will be conducted as directed by the Chair.

Shareholders can vote by either:

- ☐ attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- ☐ appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their Proxy Form online, by mobile, by post or by facsimile.

## Voting in person or by attorney

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. A certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

## Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. Written proof of the representative's appointment (including any authority under which it is signed) must be lodged with, or presented to the Company before the Meeting.

## Voting by proxy

- ☐ A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- ☐ The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- ☐ A proxy need not be a Shareholder. The proxy can be either an individual or a body corporate.
- ☐ If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.
- ☐ Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- ☐ If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

- ☐ A Shareholder who returns their Proxy Form with a direction how to vote, but does not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned with a direction how to vote, but the nominated proxy (who is not Chair of the Meeting) does not attend the Meeting or does not vote on the relevant Resolution(s), the Chair of the Meeting will act in place of the nominated proxy and vote on a poll in accordance with any instructions.
  - ☐ Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made.
  - ☐ Proxies must be received by **11.00am (WST) on 4 October 2023**, being 48 hours prior to the commencement of the meeting. Proxies received after this time will be invalid.
  - ☐ Proxies may be lodged using any of the following methods:
    - ☐ **Online:** [www.investorvote.com.au](http://www.investorvote.com.au)
    - ☐ **By mobile:** Scan the QR Code on your proxy form and follow the prompts.
    - ☐ **By mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia
    - ☐ **By Facsimile:**  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555
    - ☐ **Custodian voting:** For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions
- For all enquiries call 1300 850 505 (within Australia)  
or +61 3 9415 4000 (outside Australia).

## Shareholders who are entitled to vote

In accordance with regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Register of Shareholders as at **4.00pm (WST) (being 7.00pm AEDT) on 4 October 2023**.

# Azure Minerals Limited

ABN 46 106 346 918

## Explanatory Memorandum

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

### Overview of the Offer

On 21 August 2023, the Company announced (**Offer**):

- (a) a two-tranche institutional placement (**Placement**) comprising of:
  - i. the issue of 41,639,663 Shares (**Tranche 1 Shares**) at an issue price of \$2.40 per Share to raise \$99,935,191 (before costs) under Listing Rule 7.1 to institutional investors (**Tranche 1**); and
  - ii. the issue of 8,360,337 Shares at an issue price of \$2.40 per Share to raise up to \$20,064,809 (before costs), which includes the issue of 6,683,978 Shares which are subject to shareholder approval under Listing Rule 10.11 (**Tranche 2**); and
- (b) an offer of Shares to eligible existing shareholders with a registered address in Australia or New Zealand who were holders of Shares at 7:00pm (AEST) on 18 August 2023 under a share purchase plan to raise up to \$10 million at the same price as the Placement (**SPP**).

The institutional investors (excluding the Company's major shareholders, Sociedad Quimica y Minera de Chile S.A. (**SQM**) and Yandal Investments Pty Ltd (**Yandal**)) participating in the Placement were introduced by Barrenjoey Markets Pty Limited and Canaccord Genuity (Australia) Limited (together the **Joint Lead Managers**), and agreed to by the Company, based on a variety of factors including the ability of each investor to support the Company on an ongoing basis in its endeavour to develop the Andover Project. SQM through SQM Australia Pty Ltd will also subscribe for a portion of its Shares in Tranche 2, to top-up to a 19.99% shareholding post completion of the SPP which would result in additional funds being raised under the Placement.

Other than the issue of Yandal Shares to Yandal (as contemplated in Resolution 2), the institutional investors are not related parties or associates of related parties of the Company. The proceeds from the Placement will be used to fund the further exploration and studies at the Andover Project as well as general, working capital and costs of the offer as described in the Placement Announcements.

As disclosed in the Placement Announcements, the Company has engaged the Joint Lead Managers to act as joint lead managers and underwriters to the Placement (excluding with respect to the Company's major shareholders, SQM and Yandal) under the terms of the Underwriting Agreement. A summary of the Underwriting Agreement is set out in Annexure A of this Explanatory Memorandum. Under Resolution 1, the Company is seeking Shareholder approval to ratify the issue of the Tranche 1 Shares for the purposes of Listing Rule 7.4. The Company is also seeking shareholder approval, under Resolution 2, for the issue of the Yandal Shares under Tranche 2 to Yandal (who, is an associate of Annie Guo, a director of the Company) under Listing Rule 10.11.

### Resolution 1 – Ratification of prior issue of Shares - Tranche 1 of the Placement

#### ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue, without the approval of its shareholders, 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.

As the issue of Shares under Tranche 1 of the Placement does not fall within any of the specified exceptions to ASX Listing Rule 7.1 and have not yet been approved by Shareholders, the issue of Shares under Tranche 1 uses up a significant amount of the Company's 15% placement capacity under ASX Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval over the 12 month period following the date of issue of those Shares.

Under ASX Listing Rule 7.4, if a company's shareholders approve an issue of Equity Securities after it has been made or agreed to be made, that issue or agreement to issue Equity Securities is treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 (provided that the issue or agreement did not breach ASX Listing Rule 7.1).

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares under Tranche 1.

### Technical information required by ASX Listing Rule 7.5

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

- (a) 41,639,663 Shares were issued under Tranche 1 pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 to institutional investors described under the "Overview of the Offer" heading of this Explanatory Memorandum. Under Tranche 1 the only material investor that was issued more than 1% of the Company's issued Share capital at the time of issue was SQM Australia Pty Ltd;
- (b) the Shares issued under Tranche 1 were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions and ranking equally with the Company's existing Shares;
- (c) settlement of Tranche 1 of the Placement occurred on 28 August 2023 with the Shares under Tranche 1 issued on 29 August 2023;
- (d) the issue price was \$2.40 per Share;
- (e) the Company intends to use the proceeds from the issue of Shares under Tranche 1 as follows:

Uses	A\$m
Exploration at Andover	
(including progressing 100,000m lithium drilling program, Maiden lithium Mineral Resource, Drilling for base metals (nickel, copper and cobalt) Geophysics)	48
Studies at Andover	
(including scoping, heritage and environmental studies)	10
Corporate, working capital and Offer costs	42
<b>Total uses</b>	<b>100</b>

The above is a statement of current intention. Actual use of funds may differ from budgeted use of funds as a result of the Company's obtained results from ongoing business activities, intervening events and new circumstances;

- (f) the issue of Shares under Tranche 1 were issued under confirmation letters containing customary conditions and based on the form provided in the current version of the Master ECM Terms, as posted on the website of the Australian Financial Markets Association ([www.afma.com.au](http://www.afma.com.au)) and in connection with the Underwriting Agreement, a summary of which is set out in Annexure A to this Explanatory Memorandum; and
- (g) a voting exclusion statement is included in Resolution 1 of this Notice.



## Technical information required by ASX Listing Rule 14.1A

If Resolution 1 is passed, the base figure (i.e. variable "A") in which the Company's 15% placement capacity under ASX Listing Rule 7.1 is calculated will be a higher number which in turn will allow a proportionately higher number of Equity Securities to be issued by the Company without prior Shareholder approval.

If Resolution 1 is not passed, 41,639,663 Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

## Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

## Resolution 2 – Placement participation of the Creasy Group

### Background

As set out at in the "Overview of the Offer" section of this Explanatory Memorandum, Resolution 2 seeks the approval of Shareholders for the Company to issue 6,683,978 Shares to Yandal or its nominee (the **Yandal Shares**) on the same terms as the Tranche 1 Shares. Annie Guo is a related party of the Company as a Non-Executive Director of the Company. Ms Guo is an Associate of Yandal, a member of the Creasy Group.

As described in the "Overview of the Offer" of this Explanatory Memorandum, the Shares the subject of Resolution 2, as well as the Share issued and to be issued to SQM, will not be underwritten.

## Chapter 2E of the Corporations Act

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

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

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

For the purposes of Chapter 2E of the Corporations Act, Yandal is a related party of the Company. Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the Shares will be issued to Yandal or its nominee, on the same terms and basis as the other Shares under the Placement and, as such, the giving of the financial benefit is on arm's length terms and falls within the exception set out in section 210 of the Corporations Act.

## 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 10.11.1 – 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in 10.11.1 – 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the prior approval of its shareholders.

As the issue of Shares to Yandal falls within Listing Rule 10.11.4 and does not fall within any of the exceptions in Listing Rule 10.12, Shareholder approval pursuant to Listing Rule 10.11 is required.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Yandal Shares to Yandal or its nominee, as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Yandal Shares to Yandal or its nominee will not be included in the calculation of the Company's 15% placement capacity pursuant to Listing Rule 7.1 if Resolution 2 is passed.

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

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Yandal Shares to Yandal (or its respective nominees) within 1 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 Shares to Yandal (because approval is being obtained under Listing Rule 10.11), the grant of the issue of Shares to Yandal will not use up any of the Company's 15% annual placement capacity.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Yandal Shares to Yandal (or its respective nominees) and no funds will be received in respect of the Yandal Shares and the net proceeds of the Yandal Shares will not be available to the Company to carry out the proposed activities described in the Placement Announcements.

#### **Technical information required by Listing Rule 10.13**

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares under Resolution 2:

- (a) Yandal falls within the category set out in Listing Rule 10.11.4 as an Associate of Annie Guo, a related party of the Company, by virtue of her being a Director;
- (b) the Company will issue 6,683,978 Shares to Yandal;
- (c) the Yandal Shares to be issued are fully paid ordinary shares in the capital of the Company on the same terms and conditions and ranking equally with the Company's existing Shares;
- (d) the Yandal Shares will be issued to Yandal within 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the issue price of each Yandal Share is \$2.40, being the same issue price as all other Shares issued under the Placement;
- (f) the proceeds from the Yandal Shares will be used to fund the further exploration and studies at the Andover Project as well as general, working capital and costs of the Offer as further described in the Placement Announcements;
- (g) the issue of the Yandal Shares is not intended to remunerate or incentivise Yandal or any other Director;
- (h) the Yandal Shares are issued under confirmation letters containing customary conditions and based on the form provided in the current version of the Master ECM Terms, as posted on the website of the Australian Financial markets Association ([www.afma.com.au](http://www.afma.com.au)); and
- (i) a voting exclusion is included in Resolution 2.

#### **Board Recommendation**

The Board (excluding Annie Guo) unanimously recommends that Shareholders vote in favour of Resolution 2.

## Glossary

**\$** means Australian dollars.

**15% Placement Capacity** has the meaning set out on page 6 of the Explanatory Memorandum.

**Annexure A** means the annexure to the Explanatory Memorandum marked A.

**Associate** has the meaning given to the terms in the Listing Rules.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means current board of Directors.

**Chair** means the individual elected to chair any meeting of the Company from time to time.

**Company** means Azure Minerals Limited ABN 46 106 346 918.

**Constitution** means the Company's constitution, as amended from time to time.

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

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

**Equity Securities** has the meaning set out in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice.

**Key Management Personnel** has the meaning given to that term in the Accounting Standards.

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

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

**Notice** means this Notice of General Meeting.

**Placement Announcements** means:

- (a) the ASX Announcement dated 21 August 2023 titled " Azure Launches \$120 million Two-Tranche Placement and \$10 million SPP"; and
- (b) the investor presentation released to the ASX on 21 August 2023.

**Resolution** means a resolution contained in the Notice.

**Shareholder** means a member of the Company from time to time.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**Underwriting Agreement** means the underwriting agreement dated 21 August 2023 between the Joint Lead Managers and the Company.

**WST** means Australian Western Standard Time.

**Yandal Shares** means the 6,683,978 Shares proposed to be issued to Yandal or its nominee under Tranche 2, being the subject of Resolution 2.

## **Annexure A - Summary of material terms and conditions of the Underwriting Agreement**

A summary of the material terms of the Underwriting Agreement is set out below.

### **1. Overview**

Under the terms of the Underwriting Agreement the Joint Lead Managers have agreed to underwrite the Placement up to an amount equal to approximately A\$120 million (except for the portion of the Placement which Azure's major shareholders SQM and the Creasy Group have committed to take up), subject to the terms and conditions of that agreement. The Placement and Underwriting Agreement is subject to certain customary terms and conditions, including conditions precedent and termination rights, as well as undertakings from the Company and representations and warranties from the Company and the Joint Lead Managers that are customary for an underwriting of this nature.

### **2. Conditions Precedent**

The Joint Lead Managers' obligation to underwrite the Placement is subject to customary conditions precedent. If any of the conditions in respect of Tranche 1 are not met by the specified time, the Joint Lead Managers will not be liable to underwrite Tranche 1 of the Placement. If any of the conditions in respect of Tranche 2 are not met by the specified time, the Joint Lead Managers will not be liable to underwrite Tranche 2 of the Placement. In particular, underwriting of the Tranche 1 Placement is conditional on, amongst other things:

- the Company delivering to the Joint Lead Managers a copy of a duly executed legal opinion from the Company's U.S. counsel, to the effect that no registration of Shares issued under Tranche 1 is required under the U.S. Securities Act of 1933 as amended, for the initial offer and sale of Shares issued under Tranche 1 by the Company or the initial resale thereof by the Joint Lead Managers and that the Company is not, and immediately after giving effect to the offer and sale of the Shares under Tranche 1 will not be, required to register as an "investment company" under the U.S. Investment Company Act of 1940, as amended (the U.S. Investment Company Act); and
- the Company delivering sign-offs on the settlement date for Tranche 1 confirming compliance with the Underwriting Agreement and the accuracy of its representations and warranties.

As at the date of this Notice of Meeting, the conditions for the underwriting of Tranche 1 under the Underwriting Agreement have been satisfied.

Underwriting of the Tranche 2 Placement is conditional on, amongst other things:

- the conditions for the underwriting of Tranche 1 being satisfied or waived by the Joint Lead Managers;
- the Company's Shareholders, at the Meeting the subject of this Notice of Meeting, voting in favour of issuing Shares under Tranche 2 pursuant to ASX Listing Rule 10.11; and
- the Company delivering sign-offs on the settlement date for the Tranche 2 Shares confirming compliance with the Underwriting Agreement and the accuracy of its representations and warranties.

### **3. Termination Events**

A Joint Lead Manager may, by notice to the Company and other Joint Lead Manager, terminate its obligations under the Underwriting Agreement on the occurrence of certain customary termination events for an agreement of this nature, including:

- (\*breach of representation or warranty) a breach of the Agreement, including any representations or warranties made by the Company;
- (misleading or deceptive statement) in the Joint Lead Managers' reasonable opinion, a statement in an ASX announcement regarding the Placement is or becomes false, misleading or deceptive;
- (\*misleading or deceptive responses) information supplied by the Company to the Joint Lead Managers in relation to the Company or the Placement is, or becomes, false or misleading or deceptive, or likely to mislead or deceive;
- (timetable) unless agreed by the Company and the Joint Lead Managers, any event specified in the Timetable is delayed by more than one business day up to Tranche 1 settlement and by more than two business days after Tranche 2 settlement;
- (\*Debt facilities) the Company breaches or defaults under a debt or financing arrangement or related documentation, or an event of default which gives a financier a right to accelerate or require repayment of a

debt or financing arrangement or related documentation occurs, in either case which is not promptly waived by the financier;

- (issue of shares) the Company is unable to issue the Shares for Tranche 1 or Tranche 2 of the Placement in accordance with the relevant allotment dates set out in the Timetable;
- (capital structure and constitution) the Company alters its capital structure or constitution without the prior consent of the Joint Lead Managers;
- (\*financial adverse change) any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company from those respectively disclosed in an ASX announcement regarding the Placement or the Company's financial results for the financial half year ended 31 December 2022 or any other subsequent disclosure made to the ASX before the Underwriting Agreement;
- (\*key management personnel) a change in the Key Management Personnel or board of directors of the Company occurs or is announced;
- (fraudulent activity) the Company or any of its directors or officers is charged in relation to any fraudulent conduct or activity;
- (insolvency) the Company is or is likely to become insolvent;
- (ASIC application) ASIC issues, or threatens to issue proceedings or commences any inquiry or investigation in relation to the Placement, and such proceedings, inquiry or investigation become public or are not withdrawn within 2 business days after it is made, where it is made less than 2 business days before the Tranche 1 settlement date, is not withdrawn by the Tranche 1 settlement date or where it is made less than 2 business days before the Tranche 2 settlement date, is not withdrawn by the Tranche 2 settlement date;
- (ASX Listing) the ASX makes any official statement to any person, or indicates to the Company or the Joint Lead Managers that existing Shares will be suspended from quotation and the Company's Shares are actually suspended for at least 2 consecutive trading days, the Company will be removed from the official list or that quotation of all of the New Shares under the Placement will not be granted by the ASX before the close of business on the last date on which the New Shares may be allotted under the Timetable;
- (\*regulatory action against officer) any regulatory body commences or announces its intention to commence any public action against an officer of the Company, or the officer is charged with an indictable offence or is disqualified from managing a corporation under the Corporations Act;
- (regulatory action against Company) any government or regulatory body issues, or threatens to issue, proceedings or commences any inquiry or investigation into the Company, the Placement or the SPP;
- (\*notices) any notice or certificate under the Underwriting Agreement is not furnished by the Company when required;
- (\*hostilities) hostilities not presently existing commence or a major escalation in existing hostilities occurs (involving any one or more of Australia, New Zealand, the United States, Japan, South Korea, North Korea, the United Kingdom, any member state of the European Union, Japan, Hong Kong, Iraq, Syria, Ukraine, Russia or the People's Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of these countries elsewhere in the world);
- (index) the S&P/ASX 200 Index or S&P/ASX 300 Metals and Mining Index:
  - in the period up to and including Tranche 1 settlement, falls by 10% or more below its level at market close on the ASX trading day immediately prior to the date of the Underwriting Agreement (**Starting Level**); and
  - in the period after Tranche 2 settlement, closes on three consecutive business days or on the business day immediately preceding Tranche 2 settlement at a level that is 10% or more below the Starting Level;
- (\*change in law or policy) there is introduced or there is a public announcement of a proposal to introduce, a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement) which would make it illegal for the Joint Lead Managers to satisfy a material obligation under the agreement or to market, promote or settle the Placement;
- (\*banking moratorium) a general moratorium on commercial banking activities in Australia, the United States, Hong Kong, the People's Republic of China or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;

- (\*suspension of trading) trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading; or
- (\*political or financial adverse change) there is any adverse change or disruption to the political conditions or financial markets of Australia, the United States, Hong Kong, the People's Republic of China or the United Kingdom or the international financial markets or any change involving a prospective adverse change in national or international political, economic or financial conditions.

In respect of the termination events with an \*, a Joint Lead Manager may only terminate its obligations under the Underwriting Agreement where it has reasonable grounds to believe and does believe that the event will, or is likely to, give rise to a liability of the Joint Lead Manager or give rise to the Joint Lead Manager contravening, or being considered to be involved in, a contravention of any Law, has, or is likely to have, a material adverse effect on the marketing, settlement or outcome of the Placement or on the ability of the Joint Lead Manager to market or promote or settle the Placement, or the likely trading price of Shares, or impacts the willingness of investors to subscribe for the New Shares.

#### **4. Joint Lead Manager Fees**

The Joint Lead Managers are to be paid the following fees in connection subject to their satisfaction of certain obligations under the Underwriting Agreement:

- An issue management fee of 1% of the gross proceeds raised under the Placement;
- A selling/underwriting fee equal to 2% of the gross proceeds raised under the Placement, less amounts pre-committed by the Company's substantial shareholders SQM and Yandal; and
- An incentive fee equal to 0.5% of the gross proceeds raised under the Placement, at the sole discretion of the Company.



**AZURE**  
MINERALS LIMITED

ABN 46 106 346 918

## Need assistance?



**Phone:**

1300 135 401 (within Australia)  
+61 3 9415 4658 (outside Australia)



**Online:**

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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Wednesday, 4 October 2023.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

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

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

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

## Lodge your Proxy Form:

**XX**

### Online:

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

Your secure access information is



**Control Number: 999999**

**PIN: 99999**

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

### By Mail:

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

### By Fax:

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



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

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

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

# Proxy Form

Please mark ☒ to indicate your directions

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

XX

I/We being a member/s of Azure Minerals Limited hereby appoint

☐ the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Azure Minerals Limited to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, WA 6005 on Friday, 6 October 2023 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

## Step 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Ratification of prior issue of Shares - Tranche 1 of the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Placement participation of the Creasy Group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

A Z S

9 9 9 9 9 9 A



Computershare

