



Albion Resources Limited

ACN 620 545 664

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at Level 8, 216 St Georges Terrace Perth, Western Australia 6000 on Thursday, 16 November 2023 at 2pm (WST).

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from a suitably qualified professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 9481 0389

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

Albion Resources Limited
ACN 620 545 664
(Company)

Notice of Annual General Meeting

Notice is given that the annual general meeting of Albion Resources Limited will be held at Level 8, 216 St Georges Terrace, Perth, Western Australia on Thursday, 16 November 2023 at 2pm (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That the Remuneration Report be adopted by Shareholders on the terms and conditions in the Explanatory Memorandum.'

Resolution 2 – Re-election of Director – Mr David Palumbo

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

'That Mr David Palumbo, who retires in accordance with Clause 64(a) of the Constitution, Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering themselves for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Approval of 10% Placement Facility

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

'That the Company have the additional capacity to issue Equity Securities provided for in Listing Rule 7.1A on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 - Approval to issue Performance Rights to Directors

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

'That the issue of:

- (a) *up to 1,500,000 Performance Rights to Mr David Palumbo (or his nominees);*
- (b) *up to 1,500,000 Performance Rights to Mr Julian Jarman (or his nominees); and*

(c) up to 1,500,000 Performance Rights to Mr Steven Formica (or his nominees),

is approved under and for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Renewal of Employee Securities Incentive Plan

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

'That the existing employee incentive scheme of the Company known as the "Albion Resources Limited Employee Securities Incentive Plan" and the issue of Securities under that plan are approved under and for the purposes of exception 13(b) of Listing Rule 7.2 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Renewal of Proportional Takeover Bid Approval Provisions

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

'That the modification of the Company's Constitution to renew the proportional takeover bid approval provisions contained in clause 110 of the Constitution for a period of three years from the date of approval of this Resolution is approved under and for the purposes of sections 648G(4) and 136(2) of the Corporations Act and for all other purposes.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 3, if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under the 10% Placement Facility, any 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 Shareholder), or any associate of those persons;
- (b) Resolution 4(a) by or on behalf of Mr David Palumbo (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates;
- (c) Resolution 4(b) by or on behalf of Mr Julian Jarman (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates;
- (d) Resolution 4(a) by or on behalf of Mr Steven Formica (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates; and
- (e) Resolution 5 by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.

The above voting exclusion does not apply to a vote cast in favour of the relevant Resolution by:

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

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 4(a), 4(b) and 4(c) and Resolution 5: 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 Resolutions 4(a), 4(b) and 4(c) and Resolution 5 if:

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

However, the above prohibition does not apply if:

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

BY ORDER OF THE BOARD



David Palumbo
Non-Executive Director and Company Secretary
Albion Resources Limited
Dated: 13 October 2023

Albion Resources Limited
ACN 620 545 664
(Company)

Explanatory Memorandum

1 Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 8, 216 St Georges Terrace, Perth, Western Australia on Thursday, 16 November 2023 at 2pm (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes information about the following to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Mr David Palumbo
Section 6	Resolution 3 - Approval of 10% Placement Facility
Section 7	Resolution 4(a), Resolution 4(b) and Resolution 4(a) - Approval to issue Performance Rights to Directors
Section 8	Resolution 5 – Renewal of Employee Securities Incentive Plan
Section 9	Resolution 6 – Renewal of Proportional Takeover Bid Approval Provisions
Schedule 1	Definitions
Schedule 2	Terms and conditions of Performance Rights
Schedule 3	Valuation
Schedule 4	Summary of Employee Securities Incentive Plan
Schedule 5	Clause 110 of the Constitution (Proportional Takeover Bid Approval)

A Proxy Form is located at the end of the Explanatory Memorandum.

2 Voting and attendance information

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

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

2.2 Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online:	www.investorvote.com.au
By mail:	Computershare Investor Services Pty Limited GPO Box 242 Melbourne Victoria 3001, Australia
By fax:	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts

2.3 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

Subject to the following paragraph, if the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel of the Company.

3 Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2023.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.albionresources.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and

(d) the independence of the auditor in relation to the conduct of the audit, may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4 Resolution 1 – Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2022 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary resolution.

Given the material personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

5 Resolution 2 – Re-election of Director – Mr David Palumbo

5.1 General

Clause 64(a) of the Constitution and Listing Rule 14.4 both provide that a Director (excluding the Managing Director) must not hold office without re-election past the third annual general meeting following that Director's appointment or three years, whichever is longer.

Clause 64(c) of the Constitution provides that a Director who retires in accordance with Clause 64(a) is eligible for re-election.

Non-Executive Director David Palumbo was last elected at the Company's 2020 annual general meeting.

If re-elected, the Board considers Mr Palumbo to be an independent Director.

If Resolution 2 is not passed Mr Palumbo will cease to be a Director.

If Resolution 2 is passed Mr Palumbo will continue in his role as a Director following the conclusion of the Meeting.

5.2 Mr David Palumbo

Mr David Palumbo is a Chartered Accountant and graduate of the Australian Institute of Company Directors with over 15 years' experience across company secretarial, corporate advisory and financial management and reporting of ASX listed companies. Mr Palumbo is Head of Corporate Compliance at Mining Corporate Pty Ltd, where he has been actively involved in numerous corporate transactions. Mr Palumbo is currently company secretary for several ASX listed companies and a non-executive director of Krakatoa Resources Limited (ASX:KTA) and Rubix Resources Limited (ASX:RB6).

Mr Palumbo has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

5.3 Board recommendation

Resolution 2 is an ordinary resolution.

The Board (other than Mr Palumbo) recommends that Shareholders vote in favour of Resolution 2.

6 Resolution 3 - Approval of 10% Placement Facility

6.1 General

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

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

Resolution 3 seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(e) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

6.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

The Company is an eligible entity for these purposes as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$4.43 million based on the closing price of Shares \$0.068 on 13 October 2023.

(b) **What Equity Securities can be issued?**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid Shares issued in the 12 months:

(1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);

(2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the 12 month period; or
- the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;

(3) under an agreement to issue securities within Rule 7.2 exception 16 where:

- the agreement was entered into before the 12 month period; or
- the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and

(4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;

(B) plus the number of partly paid shares that became fully paid in the 12 months; and

(C) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the Shareholders of its Shares under Listing Rule 7.4.

"Relevant Period" has the same meaning as in Listing Rule 7.1.

(d) At what price can the Equity Securities be issued?

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(e) When can Equity Securities be issued?

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(f) What is the effect of Resolution 3?

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

6.3 Specific information required by Listing Rule 7.3A

Under and for the purposes of Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) Final date for issue

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(e) above).

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(b) Minimum issue price

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 6.2(d) above).

(c) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment (including the acceleration of programs if warranted) in the Company's current Western Australian assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 6.2(c)) as at the date of the Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.034 50% decrease in Current Market Price	\$0.068 Current Market Price	\$0.136 100% increase in Current Market Price
65,266,667 Shares Variable A	10% Voting Dilution	6,526,667 Shares	6,526,667 Shares	6,526,667 Shares
	Funds raised	\$221,907	\$443,813	\$887,626
97,900,001 Shares 50% increase in Variable A	10% Voting Dilution	9,790,000 Shares	9,790,000 Shares	9,790,000 Shares
	Funds raised	\$332,860	\$665,720	\$1,331,440

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.034 50% decrease in Current Market Price	\$0.068 Current Market Price	\$0.136 100% increase in Current Market Price
130,533,334 Shares 100% increase in Variable A	10% Voting Dilution	13,053,333 Shares	13,053,333 Shares	13,053,333 Shares
	Funds raised	\$443,813	\$887,626	\$1,775,253

Notes:

- 1 The table has been prepared on the following assumptions:
 - (a) the issue price is the current market price \$0.068, being the closing price of the Shares on ASX on 13 October 2023, being the last day that the Company's Shares traded on the ASX before this Notice was printed;
 - (b) Variable A comprises of 65,266,667 existing Shares on issue as at the date of this Meeting assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4;
 - (c) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - (d) no convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities; and
 - (e) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- 2 The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- 3 The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- 4 The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- 5 The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 30 November 2022.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

6.4 **Board recommendation**

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 3.

7 **Resolution 4(a), Resolution 4(b) and Resolution 4(a) - Approval to issue Performance Rights to Directors**

7.1 **General**

The Company is proposing, subject to obtaining Shareholder approval, to issue a total of 4,500,000 Performance Rights to Mr David Palumbo, Mr Julian Jarman and Mr Steven Formica (or their respective nominees) as part of their remuneration as Directors (**Performance Rights**) as follows:

Tranche	Vesting Condition	Expiry	David Palumbo	Julian Jarman	Steven Formica	Total Shares to be issued on conversion of Performance Rights
1	Share price reaching \$0.12	On or before 2 years from the date of issue	750,000	750,000	750,000	2,250,000
2	Share price reaching \$0.18	On or before 2 years from the date of issue	750,000	750,000	750,000	2,250,000
Total			1,500,000	1,500,000	1,500,000	4,500,000

The Performance Rights provide an incentive component to Mr Palumbo, Mr Jarman and Mr Formica's remuneration package, and align their interests with those of Shareholders. The Board considers that the number of Performance Rights to be granted to Mr Palumbo, Mr Jarman and Mr Formica, is commensurate with their value to the Company and is an appropriate method to provide cost effective remuneration. The Board believes it is important to offer these Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Performance Rights will be issued for nil cash consideration. The full terms and conditions of the Performance Rights are set out in Schedule 2.

Resolution 4(a), (b) and (c) seeks the approval of Shareholders for the issue of the Performance Rights to Mr Palumbo, Mr Jarman and Mr Formica (or their respective nominees) respectively under and for the purposes of Listing Rule 10.11.

7.2 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:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) 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 (Listing Rule 10.11.3);

- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The proposed issue of Performance Rights to Mr Palumbo, Mr Jarman and Mr Formica (or their respective nominees) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The proposed issue therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 4(a), 4(b) and 4(c) seeks the required Shareholder approval to the proposed issues of Performance Rights under and for the purposes of Listing Rule 10.11.

If Resolution 4(a), 4(b) and 4(c) are passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Palumbo, Mr Jarman and Mr Formica (or their respective nominees) they will be remunerated accordingly.

If Resolution 4(a), (b) and (c) are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Palumbo, Mr Jarman and Mr Formica (or their nominees) and the Company may need to consider other forms of incentive remuneration, including by the payment of cash.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Performance Rights will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

7.3 Specific information required by Listing Rule 10.13

Under and for the purposes of Listing Rule 10.13, the following information is provided in relation to the proposed issue of Performance Rights to the Directors:

- (a) a maximum of 4,500,000 Performance Rights will be issued to Mr Palumbo, Mr Jarman and Mr Formica (or their respective nominees), in the amounts specified in Section 7.1;
- (b) Mr Palumbo, Mr Jarman and Mr Formica are each a related party of the Company by virtue of being a Director and fall into the category stipulated by Listing Rule 10.11.1. In the event the Performance Rights are issued to a nominee of the Directors, then that person will fall into the category stipulated by Listing Rule 10.11.4;
- (c) the Performance Rights will be issued with a nil exercise price and an expiry date as set out in Section 7.1 and otherwise on the terms set out in Schedule 2;
- (d) the Performance Rights will be issued no later than one 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);
- (e) the Performance Rights will be issued for nil cash consideration as they will be issued as part of the Directors remuneration package, and therefore no funds will be raised as a result of the issue. Funds raised upon any exercise of the Performance Rights are intended to be used for general working capital purposes;
- (f) the current total remuneration package for the Directors as at the date of this Notice is set out below:

Remuneration (per annum)	David Palumbo	Julian Jarman	Steven Formica
Salary and fees	\$48,000	\$48,000	\$48,000
Incentive payments	-	-	-
Leave entitlements	-	-	-
Superannuation	\$5,280	\$5,280	\$5,280
Share-based payments	\$44,100	\$44,100	\$44,100
TOTAL	\$96,300	\$96,300	\$96,300

The Company has valued the Performance Rights as set out in Schedule 3. The total value of the Performance Rights is \$132,300.

Neither the value of the Shares nor the value of the Performance Rights the subject of Resolution 4(a), 4(b) and 4(c) are reflected in the table above.

- (g) the Performance Rights are not being issued under any agreement; and
- (h) a voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 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.

In relation to Resolution 4(a), the Board (other than Mr Palumbo who has a material personal interest in Resolution 4(a)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Mr Palumbo because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Palumbo in accordance with the exception set out in section 211 of the Corporations Act.

In relation to Resolution 4(b), the Board (other than Mr Jarman who has a material personal interest in Resolution 4(b)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Mr Jarman because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Jarman in accordance with the exception set out in section 211 of the Corporations Act.

In relation to Resolution 4(c), the Board (other than Mr Formica who has a material personal interest in Resolution 4(c)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Mr Formica because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Formica in accordance with the exception set out in section 211 of the Corporations Act.

7.5 Board recommendation

Resolution 4(a), 4(b) and 4(c) are ordinary resolutions.

The Directors decline to make a recommendation to Shareholders in relation to Resolution 4(a), 4(b) and 4(c) due to their material personal interests in the outcome of the Resolutions.

8 Resolution 5 – Renewal of Employee Securities Incentive Plan

8.1 General

The Company considers that it is desirable to maintain an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

Resolution 5 seeks Shareholders' renewed approval for the adoption of the employee incentive scheme titled 'Albion Resources Limited Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide in accordance with the terms set out in the Plan. A summary of the key terms and conditions are set out in Schedule 4. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

8.2 Listing Rules 7.1 and 7.2, exception 13(b)

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

Listing Rule 7.2, exception 13(b) provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 5 is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to issue Equity Securities under the Plan to eligible participants without using the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will still require Shareholder approval under Listing Rule 10.14 at the relevant time.

8.3 Specific information required by Listing Rule 7.2, exception 13(b)

Under and for the purposes of Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) the material terms of the Plan are summarised in Schedule 4;

- (b) since the Company was listed on the ASX on 28 April 2021, the Company has issued 500,000 Options (exercisable at \$0.25 each on or before 21 January 2024, and vest after a 12 month service period) under the Plan on 17 September 2021;
- (c) the maximum number of Equity Securities proposed to be issued under the Plan following approval of Resolution 5 is 6,526,666 Equity Securities, which is equal to approximately 10% of the Company's Equity Securities currently on issue; and
- (d) a voting exclusion statement is included in the Notice.

8.4 Board recommendation

Resolution 5 is an ordinary resolution.

The Directors decline to make a recommendation in relation to Resolution 5 due to their material personal interest in the outcome of the Resolution.

9 Resolution 6 – Renewal of Proportional Takeover Bid Approval Provisions

9.1 General

The Company's Constitution contains proportional takeover bid approval provisions (**PTBA Provisions**) which enable the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by Shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption or renewal and may then be renewed. The PTBA Provisions in the current Constitution will expire on 17 February 2024 and will cease to apply on that date unless renewed.

Resolution 6 seeks the approval of Shareholders to modify the Constitution by renewing the PTBA Provisions for a further three years under sections 648G(4) and 136(2) of the Corporations Act. The proposed PTBA Provisions set out in Schedule 5 are identical to those previously contained at clause 110 of the Constitution.

The Corporations Act requires the Company to provide Shareholders with an explanation of the PTBA Provisions as set out below.

9.2 Information required by section 648G of the Corporations Act

(a) What is a proportional takeover bid?

A proportional off-market takeover bid (**PT Bid**) is a takeover offer sent to all Shareholders but only for a specified portion of each Shareholder's Securities.

Accordingly, if a Shareholder accepts in full the offer under a PT Bid, it will dispose of the specified portion of its Securities and retain the balance of the Securities.

(b) Effect of renewal

If renewed, under clause 110 of the Constitution if a PT Bid is made to Shareholders of the Company, the Board is required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover.

The resolution is taken to have been passed if a majority of Securities voted at the meeting, excluding the Securities of the bidder and its associates, vote in favour of the resolution. Where the resolution approving the PT Bid is passed, transfers of Securities resulting from accepting the PT Bid are registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules, the ASX Operating Rules and the Company's Constitution. If the resolution is rejected, then under the Corporations Act the PT Bid is deemed to be withdrawn.

The Directors consider that Shareholders should have the opportunity to renew the PTBA Provisions. Without the PTBA Provisions applying, a PT Bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their Securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their Securities whilst leaving themselves as part of a minority interest in the Company.

Without the PTBA Provisions, if there was a PT Bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the PT Bid even if they did not want control of the Company to pass to the bidder. Renewing the PTBA Provisions will make this situation less likely by permitting Shareholders to decide whether a PT Bid should be permitted to proceed.

(c) **No knowledge of present acquisition proposals**

As at the date of this notice, no Director is aware of a proposal by any person to acquire or increase the extent of a substantial interest in the Company.

(d) **Potential advantages and disadvantages**

The renewal of the PTBA Provisions will enable the Directors to formally ascertain the views of Shareholders about a PT Bid. Without these provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that renewal of the PTBA Provisions has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a PT Bid should be accepted.

The Directors consider that renewing the PTBA Provisions benefits all Shareholders in that they will have an opportunity to consider a PT Bid and then attend or be represented by proxy at a meeting of Shareholders called specifically to vote on the proposal. Accordingly, Shareholders are able to prevent a PT Bid proceeding if there is sufficient support for the proposition that control of the Company should not be permitted to pass under the PT Bid. Furthermore, knowing the view of Shareholders assists each individual Shareholder to assess the likely outcome of the PT Bid and whether to accept or reject that bid.

As to the possible disadvantages to Shareholders renewing the PTBA Provisions, potentially, the proposal makes a PT Bid more difficult and PT Bids will therefore be discouraged. This may reduce the opportunities which Shareholders may have to sell all or some of their Securities at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's Share price. The PTBA Provisions may also be considered an additional restriction on the ability of individual Shareholders to deal freely on their Securities.

The Directors consider that there are no other advantages or disadvantages for Directors or Shareholders which arose during the period during which the PTBA Provisions were in effect, other than those discussed in this Section.

On balance, the directors consider that the possible advantages outweigh the possible disadvantages so that the renewal of the PTBA Provisions is in the interest of Shareholders.

9.3 Board recommendation

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 6.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

10% Placement Facility	has the meaning given in Section 6.1.
10% Placement Period	has the meaning given in Section 6.2(e).
\$ or A\$	means Australian Dollars.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Auditor's Report	means the auditor's report on the Financial Report.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Clause	means a clause in the Company's Constitution.
Closely Related Party	means: <ul style="list-style-type: none">(a) a spouse or child of the member; or(b) has the meaning given in section 9 of the Corporations Act.
Company	means Albion Resources Limited (ACN 620 545 664).
Constitution	means the constitution of the Company as at the date of the Meeting.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
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.
<i>Listing Rules</i>	means the listing rules of ASX.
<i>Meeting</i>	has the meaning given in the introductory paragraph of the Notice.
<i>Minimum Issue Price</i>	has the meaning given in Section 6.2(d).
<i>Notice</i>	means this notice of annual general meeting.
<i>Option</i>	means an option to acquire a Share.
<i>Performance Rights</i>	means the 1,500,000 Shares to be issued to each of Mr David Palumbo, Mr Julian Jarman and Mr Steven Formica (or their respective nominees), the subject of Resolution 4.
<i>Plan</i>	means the Company's Employee Securities Incentive Plan which is the subject of Resolution 5, a summary of which is set out in Schedule 4.
<i>Proxy Form</i>	means the proxy form attached to the Notice.
<i>PT Bid</i>	means a proportional takeover bid as defined in section 9 of the Corporations Act.
<i>PTBA Provisions</i>	means the proportional takeover bid approval provisions set out in Schedule 5.
<i>Remuneration Report</i>	means the remuneration report of the Company contained in the Directors' Report.
<i>Resolution</i>	means a resolution referred to in the Notice.
<i>Schedule</i>	means a schedule to the Notice.
<i>Section</i>	means a section of the Explanatory Memorandum.
<i>Securities</i>	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
<i>Share</i>	means a fully paid ordinary share in the capital of the Company.
<i>Shareholder</i>	means the holder of a Share.
<i>Strike</i>	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
<i>Trading Day</i>	has the meaning given in the Listing Rules.
<i>VWAP</i>	means volume weighted average market price.
<i>WST</i>	means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 Terms and conditions of Performance Rights

The following terms and conditions apply to the Performance Rights:

(a) **Entitlement**

Subject to the terms and conditions set out below, each Performance Right entitles the holder (**Holder**) on conversion to the issue of one fully paid ordinary share in the capital of the Company.

(b) **Consideration**

The Performance Rights will be granted for nil cash consideration.

(c) **Conversion price**

The conversion price of each Performance Right is nil.

(d) **Vesting Conditions**

Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Condition**) specified below:

Performance Rights	Vesting Condition	Time period to meet vesting condition
2,250,000	Share price reaching A\$0.12	On or before 2 years from the date of issue
2,250,000	Share price reaching A\$0.18	On or before 2 years from the date of issue

(e) **Expiry Date**

Any Performance Rights that have vested in accordance with these terms but have not been exercised on or before the expiry date in the table above, will expire and automatically lapse and become incapable of converting into Shares.

(f) **Timing of issue of Shares and quotation of Shares on exercise**

Within 5 Business Days of the Board confirming a Vesting Condition has been achieved, and subject to an exercise notice being received by the Holder before the Expiry Date, the Company will:

- (i) issue, allocate or cause to be transferred to the Holder (or its nominee) the number of Shares to which the Holder is entitled;
- (ii) if required, and subject to paragraph (g) below, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iii) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

(g) **Restrictions on transfer of Shares**

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, the Company must on or within 20 Business Days after the allotment date of any Shares issued on conversion of Performance Rights, lodge a 'cleansing prospectus' with ASIC pursuant to section 708A(11) of the Corporations Act.

(h) **Change in Control**

If prior to the earlier of the conversion of the Performance Rights or the Expiry Date a Change of Control Event occurs, then each Performance Right will automatically vest and immediately convert to a Share.

(i) A Change of Control Event means:

- (A) a takeover bid (as defined under the Corporations Act): upon the occurrence of the offeror under a takeover offer in respect of all the Shares announcing that it has achieved acceptances in respect of more than 50.1% of the Shares and that takeover bid has become unconditional (except any condition in relation to the cancellation or conversion of the Performance Rights); or
- (B) a court approval of a merger by way of scheme of arrangement (but shall not include a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return of the issued capital of the Company)).

(i) **Leaver**

Where the Holder (or the person who is entitled to be registered as the holder) of the Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested Performance Rights will automatically lapse and be forfeited by the Holder on the date that is 12 months from the date the Holder is no longer employed or their engagement was discontinued, unless the Board otherwise determines to extend such period further in its discretion.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights. However, the Company will give the holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

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

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

(l) **Adjustment for entitlements issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) the number of Shares which must be issued on the vesting of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had vested before the record date for the bonus issue.

(m) **Adjustments for reorganisation**

If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the ASX Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

(n) **Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

(o) **Transfer**

The Performance Rights are not transferable.

(p) **Dividend and voting rights**

A Performance Right does not entitle the Holder to vote or receive any dividends.

(q) **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(r) **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 of the Company.

(s) **No other rights**

- (i) A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (ii) A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can vest into.

Schedule 3 Valuation

The Performance Rights to be issued to the Directors pursuant to Resolution 4(a), 4(b) and 4(c) have been valued on the following assumptions:

Director	David Palumbo		Julian Jarman		Steven Formica	
Performance Rights	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Assumed Share price at grant date	\$0.076	\$0.076	\$0.076	\$0.076	\$0.076	\$0.076
Exercise price	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Market value on ASX of underlying Shares at time of setting exercise price	N/A	N/A	N/A	N/A	N/A	N/A
Exercise price premium to market value	N/A	N/A	N/A	N/A	N/A	N/A
Expiry date	17 November 2025	17 November 2025	17 November 2025	17 November 2025	17 November 2025	17 November 2025
Expected volatility	58%	58%	58%	58%	58%	58%
Risk free interest rate	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
Annualised dividend yield	0%	0%	0%	0%	0%	0%

Director	David Palumbo		Julian Jarman		Steven Formica	
Value of each Performance Right	\$0.038	\$0.021	\$0.038	\$0.021	\$0.038	\$0.021
Aggregate value of Performance Right	\$28,275	\$15,825	\$28,275	\$15,825	\$28,275	\$15,825

Notes:

The valuations takes into account the following matters:

- 1 The Performance Rights are subject to the Vesting Conditions in Schedule 2.
- 1 Performance Rights with non-market based vesting conditions can only be exercised following the satisfaction of the Vesting Condition, a change of control or winding up occurring, or a takeover bid becoming unconditional.
- 2 The valuation of Performance Rights assumes that the exercise of a right does not affect the value of the underlying asset.
- 3 Given that the Performance Rights are to be issued for no cash consideration, the value of the Performance Rights is reflected in the underlying Share price at the valuation date. The Share price used for Tranche 1 is based on the closing price on 4 October 2023, being \$0.076 and Tranche 2 is based on the closing price on 4 October 2023, being \$0.076.
- 4 No consideration is to be paid upon exercising the Performance Rights.

Schedule 4 Summary of Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

- 1 **(Eligible Participant):** Eligible Participant means a person that:
 - (a) is an 'ESS participant' (as that term is defined in the Corporations Act) in relation to the Company or an associated body corporate; and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
- 2 **(Purpose):** The purpose of the 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.
- 3 **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- 4 **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. 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.
- 5 **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- 6 **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
- 7 **(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.

- 8 **(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, subject to Board approval at that time, 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 five trading days immediately preceding that given date, unless otherwise specified in an invitation.

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

- 9 **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- 10 **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.
- Unless the Board otherwise determines, or as otherwise set out in the Plan rules:
- (a) 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
 - (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- 11 **(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.
- 12 **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank *pari passu* in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

- 13 **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares 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.
- For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:
- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
 - (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- 14 **(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.
- 15 **(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.
- 16 **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.
- No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
- 17 **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.
- If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Schedule 5 Clause 110 of the Constitution (Proportional Takeover Bid Approval)

110 Proportional Takeover Approval

- (a) Subject to the Corporations Act and the Listing Rules, the registration of any transfer of shares giving effect to a takeover contract under a proportional takeover bid in respect of shares in a class of shares in the company is prohibited unless and until a resolution to approve the takeover bid is passed in accordance with this clause 110.
- (b) Subject to clause 110(c), the only persons entitled to vote on a resolution to approve a proportional takeover bid are those persons who, as at the end of the day on which the first offer under the takeover bid was made, held shares included in the bid class in respect of which the offer was made. Each person entitled to vote has one vote for each share in the relevant class held by the person at that time.
- (c) Neither the bidder under the takeover bid nor any associate of the bidder is entitled to vote on the resolution.
- (d) The resolution is to be considered at a meeting convened and conducted by the company of the persons entitled to vote on the resolution. The provisions of this Constitution relating to general meetings apply to the meeting with any modifications the Board decides are required in the circumstances.
- (e) The resolution is taken to have been passed only if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

ALBRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Tuesday, 14 November 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 and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at 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

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.



IND

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 Albion Resources 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 Annual General Meeting of Albion Resources Limited to be held at Level 8, 216 St Georges Terrace, Perth, WA 6000 on Thursday, 16 November 2023 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4a, 4b, 4c and 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 4a, 4b, 4c and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4a, 4b, 4c and 5 by marking the appropriate box in step 2.

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	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr David Palumbo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4a	Approval to issue up to 1,500,000 Performance Rights to Mr David Palumbo (or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4b	Approval to issue up to 1,500,000 Performance Rights to Mr Julian Jarman (or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4c	Approval to issue up to 1,500,000 Performance Rights to Mr Steven Formica (or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Renewal of Employee Securities Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Renewal of Proportional Takeover Bid Approval Provisions	<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	Securityholder 2	Securityholder 3	/ /
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Sole Director & Sole Company Secretary	Director	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	
<input type="text"/>	<input type="text"/>		

