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**WEST COBAR METALS LIMITED**

**ACN 649 994 669**

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**NOTICE OF ANNUAL GENERAL MEETING**

**The annual general meeting of the Company will be held at Level 8, London House, 216 St Georges Terrace, Perth, Western Australia 6000 at 10:00am (AWST) on Friday, 24 November 2023**

*It may not be possible for Shareholders to physically attend the Meeting. As a result, the Company encourages Shareholders who cannot attend the Meeting in person to vote by directed proxy. Proxy Forms for the meeting should be lodged before 10:00am (AWST) on Wednesday, 22 November 2023.*

*Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing the questions to [Craig@miningcorporate.com.au](mailto:Craig@miningcorporate.com.au) by no later than 5:00pm (AWST) on Wednesday, 22 November 2023.*

*If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform.*

*This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser 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**

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# WEST COBAR METALS LIMITED

## ACN 646 994 669

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of West Cobar Metals Limited (**Company**) will be held at Level 8, London House, 216 St Georges Terrace, Perth, Western Australia 6000 at 10:00am (AWST) on Friday, 24 November 2023 (**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 this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 22 November 2023 at 5:00pm (AWST).

The Company advises that a poll will be conducted for all Resolutions.

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

### AGENDA

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## Annual Report

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

**Note:** There is no requirement for Shareholders to approve these reports. Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

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## 1 Resolution 1 – Remuneration Report

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

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, Shareholders approve the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

### Voting Prohibition

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

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

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## 2 Resolution 2 – Election of Mr Mark Bolton as Director

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

*"That, pursuant to and in accordance with Listing Rule 14.4, article 7.3(j) of the Constitution and for all other purposes, Mr Mark Bolton, being a non-executive Director who was appointed on 8 February 2023, retires and being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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## 3 Resolution 3 – Re-election of Mr Robert Klug as Director

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

*"That, pursuant to and in accordance with articles 7.3(c) and 7.3(f) of the Constitution and for all other purposes, Mr Robert Klug, a Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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## 4 Resolution 4 – Approval of 10% Placement Facility

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely in the capacity of a holder of ordinary securities in the entity) or an associate of that person (or those persons).

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

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

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Note: As at the date of this Notice, it is not known who may participate in any Equity Securities issued under Resolution 4 and the Company has not approached any Shareholder or identified a class of existing Shareholders to participate in any issue of Equity Securities under the 10% Placement Facility. Accordingly, no Shareholders are excluded from voting on Resolution 4.*

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## 5 Resolution 5 – Adoption of Employee Incentive Plan

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

*"That, pursuant to and in accordance with Listing Rule 7.2, exception 13(b) and for all other purposes, Shareholders approve the adoption of the Company's "Employee Incentive Plan" (**Plan**) and the grant of Shares, Performance Rights, Options and the issue of the underlying Shares upon the exercise or conversion of those Performance Rights and Options on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Plan or an associate of that person (or those persons).

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

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

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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

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## 6 Resolution 6 – Issue of Performance Rights to Mr Matt Szwedzicki

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

*"That, subject to Resolution 5 being passed and pursuant to and in accordance with Listing Rules 10.14, and 10.19, Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act) and for all other purposes, Shareholders approve the issue of up to 3,000,000 Performance Rights to Mr Matt Szwedzicki (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or an associate of that person (or those persons).

The Company will also disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company (and/or their nominee(s)) or any of their child entities (as defined in the Listing Rules) who are entitled to participate in a termination benefit or an associate of that person (or those persons).

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

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

### **Voting Prohibition**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Matt Szwedzicki or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Matt Szwedzicki or his nominee(s) or any of his, or their, associates.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

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

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## 7 Resolution 7 – Issue of Consideration Shares

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 5,000,000 Shares to Dundas Minerals Limited (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of securities (except a benefit solely by reason of being a holder of ordinary securities) or an associate of that person (or those persons).

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

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

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## 8 Resolution 8 – Issue of Settlement Shares

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 1,500,000 Shares to Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of

securities (except a benefit solely by reason of being a holder of ordinary securities) or an associate of that person (or those persons).

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

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

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## 9 Resolution 9 – Issue of Settlement Options

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 3,000,000 Options to Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of securities (except a benefit solely by reason of being a holder of ordinary securities) or an associate of that person (or those persons).

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

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

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## 10 Resolution 10 – Issue of Settlement Performance Rights

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 2,500,000 Performance Rights to Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of securities (except a benefit solely by reason of being a holder of ordinary securities) or an associate of that person (or those persons).

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

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

Dated: 24 October 2023

By order of the Board



**Craig McNab**  
**Company Secretary**  
**West Cobar Metals Limited**



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# WEST COBAR METALS LIMITED

ACN 649 994 669

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## EXPLANATORY MEMORANDUM

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### 1 Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting.

This Explanatory Memorandum should be read in conjunction with and forms part of the Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

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

Section 1	Introduction
Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Election of Mr Mark Bolton as Director
Section 6	Resolution 3 – Re-election of Mr Robert Klug as Director
Section 7	Resolution 4 – Approval of 10% Placement Facility
Section 8	Resolution 5 – Adoption of Employee Incentive Plan
Section 9	Resolution 6 – Issue of Performance Rights to Mr Matt Szwedzicki
Section 10	Resolution 7 – Issue of Consideration Shares
Section 11	Resolutions 8, 9 and 10 – Issue of Settlement Securities
Schedule 1	Definitions
Schedule 2	Summary of Employee Incentive Plan
Schedule 3	Terms and Conditions of Performance Rights
Schedule 4	Summary of Tenement Sale Agreement
Schedule 5	Terms and Conditions of Settlement Options
Schedule 6	Terms and Conditions of Settlement Performance Rights

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

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## 2 Action to be taken by Shareholders

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

The Company advises that a poll will be conducted for all Resolutions.

### 2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to participate in the Meeting (see details below) or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions detailed in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting (subject to the voting exclusions detailed in the Notice).

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10:00am (AWST) on Wednesday, 22 November 2023, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

### 2.2 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolutions 1, 5 and 6 (inclusive), must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolutions 1, 5 and 6 (inclusive), and:

- (c) the person is appointed as a proxy that specifies the way the proxy is to vote on Resolutions 1, 5 and 6 (inclusive); or
- (d) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on Resolutions 1, 5 and 6 (inclusive), but expressly authorises the Chairperson to exercise the proxy even if Resolutions 1, 5 and 6 (inclusive) are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### 2.3 Attendance at Meeting

Shareholders may vote by directed proxy rather than attend the Meeting in person (refer to Section 2.1 for further information).

If it becomes necessary or appropriate to make alternative arrangements to those detailed in this Notice, Shareholders will be updated via the ASX announcements platform and on the Company's website at <https://www.westcobarmetals.com.au/>.

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### 3 Annual Report

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. 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 <https://www.westcobarmetals.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 Chairperson about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of 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 (being, no later than 10:00am (AWST) on Friday, 17 November 2023) to the Company Secretary at the Company's registered office.

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### 4 Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Remuneration Report is detailed on pages 16 to 20 of the Annual Report and is available on the Company's website at <https://www.westcobarmetals.com.au/>.

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.

The Board is committed to an appropriately structured remuneration framework, underpinned by guiding remuneration principles, focused on driving a performance culture over the short, medium and long term to deliver satisfactory returns to Shareholders.

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

Shareholders will have the opportunity to remove the whole Board except the Managing Director (if applicable) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

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) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Remuneration Report did not receive a Strike at the 2022 annual general meeting. Please note if the Remuneration Report receives a Strike at the Meeting and if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chairperson will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

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## **5 Resolution 2 – Election of Mr Mark Bolton as Director**

### **5.1 General**

Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office, without re-election, past the next annual general meeting of the entity.

Article 7.2(b) of the Constitution allows the Directors to appoint at any person as a Director. Article 7.3(j) provides that any person appointed as a Director must retire at the next annual general meeting and is eligible for re-election at that meeting.

On 8 February 2023, the Company announced the appointment of Mr Mark Bolton as a non-executive Director.

Resolution 2 provides that Mr Mark Bolton retires from office and seeks re-election as a Director.

Details of Mr Bolton's background and experience are detailed in the Annual Report.

If Resolution 2 is passed, Mr Bolton will continue to be a Director.

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

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

### **5.2 Board Recommendation**

The Board (excluding Mr Bolton) supports the re-election of Mr Bolton and recommends that Shareholders vote in favour of Resolution 2.

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## **6 Resolution 3 – Re-election of Mr Robert Klug as Director**

### **6.1 General**

Article 7.3(c) of the Constitution requires one third of all Directors (excluding directors who are required to retire being reason of being appointed to fill a casual vacancy or as an addition to the board) must retire at each annual general meeting (rounded down to the nearest whole number).

The Board has determined that Mr Robert Klug, as the Director who has held office as a Director for the longest period of time since his last election or appointment to that office, will retire by rotation under article 7.3(c).

Article 7.3(f) of the Constitution states that a Director who retires under article 7.3(c) of the Constitution is eligible for re-election.

Resolution 3 provides that, pursuant to and in accordance articles 7.3(c) and 7.3(f) of the Constitution and for all other purposes, Mr Robert Klug, Director, retires and being eligible, is re-elected as a Director.

Details of Mr Klug's background and experience are detailed in the Annual Report.

If Resolution 3 is passed, Mr Klug will continue to be a Director.

If Resolution 3 is not passed, Mr Klug will cease to be a Director.

Resolution 3 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

## 6.2 Board Recommendation

The Board (excluding Mr Klug) supports the re-election of Mr Klug and recommends that Shareholders vote in favour of Resolution 3.

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# 7 Resolution 4 – Approval of 10% Placement Facility

## 7.1 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 (**15% Placement Capacity**).

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less at the time of the relevant annual general meeting. The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$7.48 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 18 October 2023).

The Company is seeking Shareholder approval to have the ability to issue Equity Securities under the 10% Placement Facility. 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 7.2(c)).

If Resolution 4 is passed, the Company will be able to issue Equity Securities under Listing Rule 7.1A up to 10% of its issued share capital over a 12 month period after the annual general meeting, in addition to the Company's 15% Placement Capacity.

If Resolution 4 is not passed, the Company will not be able to access the 10% Placement Facility 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 under Listing Rule 7.1.

Resolution 4 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 Chairperson intends to exercise all available proxies in favour of Resolution 4.

## 7.2 Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

(b) **Equity Securities**

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

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 company.

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities, being Shares.

(c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period (refer to section 7.2(f)), a number of Equity Securities calculated in accordance with the following formula:

**(A x D) – E**

**A** is the number of Shares on issue at the commencement of the relevant period:

- (A) plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (I) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (II) 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;
- (C) plus the number of Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (I) the agreement was entered into before the commencement of the relevant period; or
  - (II) the agreement was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or 7.4;
- (D) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or 7.4;
- (E) plus the number of partly paid ordinary shares that became fully paid in the relevant period; and
- (F) less the number of Shares cancelled in the relevant period.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% 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 Shareholders under Listing Rule 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% Placement Capacity.

At the date of the Notice, the Company has on issue 97,133,664 Shares and therefore has a capacity to issue:

- (i) 14,570,049 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 4, 9,713,366 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be 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; 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.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; or
- (iii) the time and 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),

(the **10% Placement Period**).

### 7.3 **Effect of Resolution**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period in addition to using the Company's 15% Placement Capacity under Listing Rule 7.1.

### 7.4 **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows to the extent that such information is not disclosed elsewhere in the Notice:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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; 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.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. 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 or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

- (c) The table below shows the risk of dilution of existing Shareholders on the basis of the current market price of shares and the current number of Shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) The table also shows:
  - (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
  - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0385 50% decrease in Issue Price	\$0.077 Issue Price	\$0.154 100% increase in Issue Price
Current Variable A 97,133,664 Shares	10% Voting Dilution	9,713,366 Shares	9,713,366 Shares	9,713,366 Shares
	Funds raised	\$373,965	\$747,929	\$1,495,858
50% increase in current Variable A 145,700,496 Shares	10% Voting Dilution	14,570,050 Shares	14,570,050 Shares	14,570,050 Shares
	Funds raised	\$560,947	\$1,121,894	\$2,243,788
100% increase in current Variable A 194,267,328 Shares	10% Voting Dilution	19,426,733 Shares	19,426,733 Shares	19,426,733 Shares
	Funds raised	\$747,929	\$1,495,858	\$2,991,717

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.



- (iii) 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%.
  - (iv) 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.
  - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% Placement Capacity.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
  - (vii) The issue price is \$0.077, being the closing price of Shares on ASX on 18 October 2023.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid on the earlier of:
- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
  - (ii) the time and date of the entity's next annual general meeting; or
  - (iii) the time and date that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such an acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 3.10.3 and 7.1A(4) upon issue of any Equity Securities.
- (h) 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 subscribers 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) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers 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 Shareholders who are not a related party or an associate of a related party of the Company.
- (j) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2022 annual general meeting.
- (k) In the 12 months preceding the date of the Meeting the Company has not issued any Equity Securities pursuant to Listing Rule 7.1A.2.
- (l) A voting exclusion statement is included in the Notice for Resolution 4.

- (m) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## 7.5 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

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# 8 Resolution 5 – Adoption of Employee Incentive Plan

## 8.1 General

In light of changes to the Corporations Act relating to employee incentive schemes, the Board is proposing to adopt a new employee incentive scheme, known as the "Employee Incentive Plan" (**Plan**) to replace the Company's existing employee incentive plan (**Existing Plan**).

The Plan enables the Company to grant Shares, Performance Rights and Options to eligible Directors, employees, consultants and contractors of the Company (**Eligible Participants**). The Plan incorporates amendments in response to changes to the Corporations Act and other amendments over the Existing Plan which together the Board considers warrant the adoption of the Plan to replace the Existing Plan, as opposed to making various piecemeal amendments to the Existing Plan.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.2, exception 13(b), to adopt the Plan, and to enable Shares, Options and Performance Rights and Shares upon exercise or conversion of those Performance Rights or Options (together, **Employee Incentives**) to be issued under the Plan to Eligible Participants to be exempted from Listing Rule 7.1 for a period of three years from the date on which Resolution 5 is passed.

A summary of the Plan, to be adopted pursuant to Resolution 5, is detailed in Schedule 2.

No Directors will receive securities pursuant to Resolution 5. For the avoidance of doubt, the Company must seek separate Shareholder approval under Listing Rule 10.14 in respect of any future issues of Employee Incentives under the Plan to a Director or any other related party or person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

The Plan is intended to assist the Company to attract and retain key staff, whether employees, consultants or contractors. The Board believes that grants made to Eligible Participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

- (a) enable the Company to incentivise and retain existing Key Management Personnel and other eligible employees, consultants and contractors needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievement of strategic goals and the long term performance of the Company;
- (c) align the financial interest of participants of the Plan with those of Shareholders; and
- (d) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

If Resolution 5 is passed, the Company will be able to issue Employee Incentives to Eligible Participants under the Plan without using up any of the Company's 15% Placement Capacity. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

If Resolution 5 is not passed, the Company may still issue Employee Incentives to Eligible Participants under the Plan but any issue will reduce, to that extent, the Company's 15% Placement Capacity for 12 months following the issue. However, the Company will be required to seek

Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

Resolution 5 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 5.

## 8.2 **Listing Rule 7.1 and Listing Rule 7.2 (exception 13)**

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to convert to equity (such as an Option or Performance Right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 (exception 13) provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2 (exception 13) is that any issues of Employee Incentives under the Plan are treated as having been made with the approval of Shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2 (exception 13) lasts for a period of three years.

## 8.3 **Specific information required by Listing Rule 7.2**

The following information in relation to Resolution 5 is provided to Shareholders for the purposes of Listing Rule 7.2 (exception 13):

- (a) The material terms of the Plan are summarised in Schedule 2.
- (b) This is the first approval sought under Listing Rule 7.2, exception 13(b) with respect to the Plan.
- (c) The Company has not issued any securities under the Plan as this is the first time that Shareholder approval is being sought for the Plan.
- (d) The maximum number of Employee Incentives proposed to be issued under the Plan following Shareholder approval is 9,713,366 securities, being no more than 10% of the total number of Shares on issue at the date of the Notice.
- (e) A voting exclusion statement is included in the Notice for Resolution 5.

## 8.4 **Board Recommendation**

The Board is excluded from voting on Resolution 5 pursuant to the Listing Rules as they are eligible to participate under the Plan. Accordingly, the Board declines to make a recommendation to Shareholders on Resolution 5.

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# 9 **Resolution 6 – Issue of Performance Rights to Mr Matt Szwedzicki**

## 9.1 **General**

On 22 June 2023, the Company announced that it had appointed Mr Matt Szwedzicki (previously a non-executive Director) as Managing Director of the Company. In connection with the appointment of Mr Szwedzicki, the Company has agreed, subject to obtaining Shareholder approval, to issue up to 3,000,000 Performance Rights to Mr Szwedzicki (and/or his nominee(s)) (please refer to the Company's ASX announcement dated 22 June 2023 for further details).

Subject to Shareholders approving the adoption of the Plan (approval of which is sought pursuant to Resolution 5), Resolution 6 seeks Shareholder approval, pursuant to and in accordance with Listing Rules 10.14 and 10.19, Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act) and for all other purposes, to issue up to 3,000,000 Performance Rights to Mr Szwedzicki (and/or his nominee(s)) under the Plan.

The purpose of issuing the Performance Rights is to remunerate (in part) Mr Szwedzicki for the provision of managing director services and to provide a cost effective way for the Company to align Mr Szwedzicki's interests with the interest of Shareholders, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Szwedzicki.

The terms and conditions of the Performance Rights are detailed in Schedule 3.

A summary of the Equity Incentive Plan, to be adopted pursuant to Resolution 5, is detailed in Schedule 2.

The Performance Rights to be issued to Mr Szwedzicki (and/or his nominee(s)) will vest upon satisfaction of the below milestones by the expiry date:

Tranche	Number of Performance Rights	Expiry Date	Vesting Condition
1	1,500,000	22 June 2026	The Company releasing an ASX announcement of an economically feasible scoping study on the Company's Salazar Rare Earth Project.
2	1,500,000	22 June 2026	The Company releasing an ASX announcement detailing a JORC Mineral Resource estimate of not less than 120 million tonnes with a grade above 800ppm TREO for the Company's Salazar Rare Earth Project or (as determined by the Board) an equivalent economic value new JORC Mineral Resource for a different commodity.

Resolution 6 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 6.

## 9.2 Section 200B of the Corporations Act

In accordance with section 200B of the Corporations Act, a company may only give a person a benefit in connection with their retirement from a managerial or executive office, or position of employment, in the Company or a related body corporate if:

- (a) it is approved by shareholders under section 200E of the Corporations Act; or
- (b) an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

Section 200B of the Corporations Act applies where the benefit is given to, among other persons, a person whose details were included in the Director's Report for the previous financial year. Mr Szwedzicki's details were included in the FY2023 Director's Report.

A benefit includes (among other things) automatic, or accelerated, vesting of share-based payments for a person or the exercise of a discretion to allow a person to maintain a benefit they would not otherwise be entitled to retain, on, or as a result of, retirement from their position in the company. A benefit also includes the exercise of a Board discretion to accelerate vesting of share-based payments (such as the Performance Rights).

The Performance Rights may, automatically or subject to the Board's discretion, vest upon termination of Mr Matt Szwedzicki's employment. The Board has formed the view that, should this occur, the affected Performance Rights may constitute a benefit in connection with Mr Szwedzicki's retirement from office under section 200B of the Corporations Act.

The benefits for which approval is being sought under Resolution 6 include (together, the **Potential Retirement Benefits**) benefits that may result from the automatic vesting of the Performance Rights or from the Board exercising discretions conferred under the terms of the Performance Rights. In

particular, in relation to those discretions for the Performance Rights, the Board will have the discretion to determine any one or more of the following:

- (a) that Mr Szwedzicki is an Agreed Leaver (as defined in Schedule 2) and may retain the granted Performance Rights;
- (b) that unvested Performance Rights vest and become exercisable into Shares where Mr Szwedzicki is an Agreed Leaver (even if the relevant vesting condition or vesting conditions have not been fulfilled);
- (c) where Mr Szwedzicki is a Non-Agreed Leaver (as defined in Schedule 2) any unvested Performance Rights will not lapse; and
- (d) the Board may decide to allow Mr Szwedzicki to retain any Performance Rights regardless of any failure by Mr Szwedzicki to satisfy in part or in full the vesting conditions in which case, the Board may:
  - (i) determine that any or all of those retained Performance Rights shall vest and upon their exercise the corresponding Shares shall be provided to Mr Szwedzicki; or
  - (ii) determine new vesting Conditions (as applicable) for those retained Performance Rights and notify Mr Szwedzicki of the determination as soon as practicable.

One of the benefits for which approval is sought under Resolution 6 is the potential for Shares to be issued to Mr Szwedzicki (and/or his nominee(s)) upon the conversion of the Performance Rights as a result of the automatic vesting of the Performance Rights (such as in accordance with the change of control provisions in Schedule 3) or the Board exercising a discretion to vest the Performance Rights as a termination benefit.

The Performance Rights may vest after Mr Szwedzicki ceases to be an Eligible Participant, which is also another benefit for which approval is sought under Resolution 6.

The Company is therefore seeking Shareholder approval under section 200B of the Corporations Act in connection with the potential vesting of the Performance Rights proposed to be granted to Mr Szwedzicki pursuant to Resolution 6.

### 9.3 **Specific information required by section 200E of the Corporations Act**

The following additional information in relation to Resolution 6 is provided to Shareholders for the purposes of section 200E of the Corporations Act:

- (a) the amount or value of the benefit relating to the Performance Rights pursuant to Resolution 6 to be held by Mr Szwedzicki (and/or his nominee(s)) which may arise in connection with his retirement from a managerial or executive office cannot presently be ascertained (please refer to Section 9.7(h) for an estimate of the current value of the Performance Rights (if they were on issue)). However, matters, events and circumstances that will, or are likely to affect the calculation of that amount or value include:
  - (i) the number of Performance Rights held prior to ceasing employment;
  - (ii) the outstanding conditions (if any) of vesting of the Performance Rights and the number that the Board determines to vest, lapse or leave on foot;
  - (iii) the applicable performance measures and the achievement of such measures (and the personal performance of Mr Szwedzicki);
  - (iv) the portion of the relevant performance period for the Performance Rights that have expired at the time Mr Szwedzicki ceases employment or engagement;
  - (v) the circumstances of, or reasons for, Mr Szwedzicki ceasing employment or engagement with the Company (for example, whether Mr Szwedzicki is an Agreed Leaver or Non-Agreed Leaver (each, as defined in Schedule 2));
  - (vi) the length of service with the Company and performance over that period of time;

- (vii) any other factors that the Board determines to be relevant when exercising its discretion to provide the Potential Retirement Benefits to Mr Szwedzicki;
  - (viii) the market price of the Shares on ASX at the relevant time when the amount or value of the Performance Rights is determined;
  - (ix) any changes in law; and
  - (x) the risk free rate of return in Australia and the estimated volatility of the Shares on ASX at the relevant time; and
- (b) the Company intends to calculate the value of the benefit relating to the Performance Rights at the relevant time based on the above factors. An appropriate valuation of the Performance Rights can be determined using the market price of the Shares at the date of the Notice.

#### 9.4 **Listing Rule 10.19**

Listing Rule 10.19 provides that without approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**). For the purpose of the Listing Rules, termination benefits include payments, property and advantages that are receivable on termination of engagement, which include the proposed issue of the Performance Rights.

Depending upon the value of the termination benefits associated with the Performance Rights (see Section 9.3) based on factors including the Board exercising its discretion to allow the Performance Rights to vest and/or be retained upon Mr Szwedzicki's termination or cessation of employment with the Company and the equity interests of the Company at the time such benefits may crystallise, the value of the vested and/or retained Performance Rights may exceed the 5% Threshold. Accordingly, the Company is also seeking approval for the purposes of Listing Rule 10.19.

If Resolution 6 is passed, the Company will be able to provide termination benefits which may exceed the 5% Threshold to Mr Szwedzicki (and/or his nominee(s)) by virtue of the issue of the Performance Rights and (if applicable) any future conversion of the Performance Rights into Shares.

If Resolution 6 is not passed, the Company will not be able to provide termination benefits to Mr Szwedzicki (and/or his nominee(s)) where those termination benefits along with termination benefits payable to all officers together exceed the 5% Threshold.

#### 9.5 **Chapter 2E of the Corporations Act**

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

- (a) obtain the approval of the public company's members in the manner 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 in sections 210 to 216 of the Corporations Act.

The grant of Performance Rights under the Plan (and their exercise or conversion into Shares) constitutes giving a financial benefit as Mr Szwedzicki is a related party of the Company by virtue of being the Managing Director. The Directors (other than Mr Szwedzicki, given his material personal interest in Resolution 6) have considered the application of Chapter 2E of the Corporations Act and have resolved that the reasonable remuneration exception provided by section 211 of the Corporations Act is applicable. Accordingly, the Company will not seek approval for the issue of the Performance Rights pursuant to section 208 of the Corporations Act.

## 9.6 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit a director or an associate of any of the following persons to acquire securities under an employee incentive scheme without the approval of shareholders:

- (a) a director of the company;
- (b) an associate of a director of the company; or
- (c) a person whose relationship with the company or a person referred to in (a) or (b) is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

The issue of Performance Rights to Mr Matt Szwedzicki (and/or his nominee(s)) falls within paragraph (a) above (being Listing Rule 10.14.1) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 6 seeks the required Shareholder approval to issue 3,000,000 Performance Rights to Mr Matt Szwedzicki (and/or his nominee(s)), under and for the purposes of Listing Rule 10.14.

If Resolution 6 is passed (and subject to Resolution 5 being passed), the Company will be able to proceed with the issue of the Performance Rights to Mr Szwedzicki (and/or his nominee(s)). Approval pursuant to Listing Rule 7.1 will not be required as approval is being obtained under Listing Rule 10.14 (exception 14 under Listing Rule 7.2). Accordingly, if Resolution 6 is passed, the issue of Performance Rights (and Shares issued on conversion of the relevant Performance Rights) will not be included in calculating the Company's 15% Placement Capacity under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Szwedzicki (and/or his nominee(s)), and the Company may consider alternative forms of remuneration with Mr Szwedzicki.

## 9.7 Specific information required by Listing Rule 10.15

The following information in relation to Resolution 6 is provided to Shareholders for the purposes of Listing Rule 10.15:

- (a) The Performance Rights will be issued to Mr Matt Szwedzicki (and/or his nominee(s)).
- (b) Mr Szwedzicki falls within category 10.14.1 of the Listing Rules, as he is the Managing Director and therefore a related party of the Company. Any party Mr Szwedzicki nominates to receive Performance Rights would be expected to fall within the category 10.14.2 of the Listing Rules as an associate of Mr Szwedzicki.
- (c) The maximum number of Performance Rights to be issued to Mr Szwedzicki (and/or his nominee(s)) is 3,000,000 Performance Rights pursuant to Resolution 6.
- (d) The current remuneration package of Mr Szwedzicki is detailed below:

Name	Base Salary (excluding superannuation) (A\$)	Superannuation (A\$)	Share Based Payments (A\$)	Total (A\$)
Matt Szwedzicki	250,000	27,500	-	277,500

- (e) No securities have previously been issued to Mr Szwedzicki under the Plan (which is subject to Shareholder approval pursuant to Resolution 5).
- (f) A summary of the terms and conditions of the Performance Rights is detailed in Schedule 3.
- (g) The purpose of issuing the Performance Rights is to remunerate (in part) Mr Szwedzicki for the provision of managing director services and to provide a cost effective way for the

Company to align Mr Szwedzicki's interests with the interest of Shareholders, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Szwedzicki.

- (h) The value attributed to the Performance Rights proposed to be issued under Resolution 6 (including the financial benefits inherent in that proposed issue of Performance Rights) are as follows:

	Tranche 1	Tranche 2
Number of Performance Rights	1,500,000	1,500,000
Underlying Share price	\$0.077	\$0.077
Conversion price	Nil	Nil
Expiry date	22 June 2026	22 June 2026
Valuation per tranche of Performance Rights	\$115,500	\$115,500
Performance Rights Quantum	\$231,000	

**Note:**

1. Based on an underlying Share price of \$0.077, being the closing price of Shares on ASX on 18 October 2023.
  2. The valuation assumes that all the vesting conditions are satisfied. As a result, if all the vesting conditions are satisfied to the maximum extent, the total value attributed to the Performance Rights to be issued to Mr Szwedzicki (and/or his nominee(s)) would be approximately \$231,000.
- (i) The Performance Rights will be granted for nil cash consideration (and no amount is payable upon the conversion of the Performance Rights).
- (j) The Company will issue the Performance Rights to Mr Szwedzicki (and/or his nominee(s)) no later than three years after the date of the Meeting.
- (k) No funds will be raised by the issue of the Performance Rights as they are being issued for nil cash consideration.
- (l) The material terms of the Plan are summarised in Schedule 2.
- (m) No loan will be provided to Mr Szwedzicki in relation to the issue of the Performance Rights under the Plan.
- (n) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (o) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 5 is approved and who are not named in the Notice will not participate until approval is obtained under that rule.
- (p) A voting exclusion statement is included in the Notice for Resolution 6.



## 9.8 Board Recommendation

The Board (excluding Mr Szwedzicki) recommends that Shareholders vote in favour of Resolution 6.

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# 10 Resolution 7 – Issue of Consideration Shares

## 10.1 General

On 25 September 2023, the Company announced that it entered into a tenement sale agreement (**Sale Agreement**) with Dundas Minerals Limited (**Dundas**), pursuant to which the Company intends to acquire four exploration licences (being, E63/2056, E63,2083, E63/2078 and E63/2063) from Dundas (**Acquisition**) to increase the Company's Salazar REE Project landholding to a total of 1,171km<sup>2</sup>.

As consideration for the Acquisition, the Company has agreed, subject to Shareholder approval (which approval is being sought pursuant to Resolution 7), to issue Dundas 5,000,000 Shares (**Consideration Shares**) at a deemed issue price of \$0.086 per Share (valued at approximately \$430,000 based on the closing price of Shares on Friday, 22 September 2023) and a \$20,000 cash payment.

Pursuant to the terms of the Sale Agreement, the parties have agreed that the Consideration Shares will be legally and beneficially held by Dundas and subject to voluntary escrow for a period of 24 months from the date of issue, subject to certain release events occurring.

Dundas will retain the nickel, copper and gold rights for the three northern tenements (being, E63/2078, E63/2083 and E63/2063) for a period of 24 months. These rights will pass to the Company if Dundas has not conducted, or had success with, exploration activities targeting those minerals within that 24 month period.

Completion of the Acquisition is conditional upon the satisfaction of various conditions precedent, including but not limited to, Shareholder approval for the issue of the Consideration Shares (which approval is being sought pursuant to Resolution 7).

Refer to Schedule 4 for a summary of the Sale Agreement.

For further information on the Acquisition, refer to the Company's ASX announcement dated 25 September 2023.

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 5,000,000 Shares to Dundas pursuant to the Acquisition.

Resolution 7 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 7.

## 10.2 Listing Rule 7.1

Refer to Section 7.1 for a summary of Listing Rule 7.1.

The issue of the Consideration Shares does not fall within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by Shareholders, will effectively use up part of the Company's 15% Placement Capacity in Listing Rule 7.1 reducing the Company's placement capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 months following the issue of the Consideration Shares.

Accordingly, Resolution 7 seeks the required Shareholder approval to issue the Consideration Shares to Dundas for the purposes of Listing Rule 7.1 (and for all other purposes).

If Resolution 7 is passed, the Company will be able to proceed with the issue of Consideration Shares. In addition, the Consideration Shares will be issued without using up any of the Company's 15% Placement Capacity on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Consideration Shares will not be issued to Dundas and accordingly the Acquisition will not proceed, as the Acquisition is conditional on Shareholder approval for the issue of the Consideration Shares.

### 10.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 7 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Consideration Shares will be issued to Dundas. Dundas is not a related party, a member of the Key Management Personnel, a substantial shareholder or an advisor of the Company or an associate of one of those persons.
- (b) The maximum number of Consideration Shares to be issued to Dundas is 5,000,000 Shares.
- (c) The Consideration Shares will be fully paid ordinary shares and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Consideration Shares will be issued no later than three months following 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 Consideration Shares will be issued at a deemed issue price of \$0.086 per Share.
- (f) The Consideration Shares will be issued as consideration for the Acquisition. Accordingly, no funds will be raised from the issue of Consideration Shares pursuant to Resolution 7.
- (g) A summary of the material terms of the Sale Agreement is detailed in Schedule 4.
- (h) A voting exclusion statement is included in this Notice for Resolution 7.

### 10.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 7.

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## 11 Resolutions 8, 9 and 10 – Issue of Settlement Securities

### 11.1 General

On 10 February 2022 and 15 February 2022, the Company and Nedeel LLC, Kryptonite LLC and GF Global LLC (together, **NVR Parties**), entered into confidentiality agreements concerning the San Antone and Traction Projects and the Lone Mountain and Heller Projects, respectively (**Confidentiality Agreements**). On 26 June 2023, the Company announced that it had received a claim from the NVR Parties in relation to an alleged breach of the Confidentiality Agreements. The NVR Parties alleged that the Company's wholly-owned subsidiary, WC1 Nevada Lithium LLC (the holder of mining tenements in Nevada, United States of America) (**WC1 Nevada**), is also bound by the Confidentiality Agreements.

On 17 October 2023, the Company announced that it had entered into a settlement and mutual release agreement for the full release of all current and potential claims by the NVR Parties (**Settlement Agreement**). The claims include those relating to:

- (a) WC1 Nevada's location of the 242 unpatented lode mining claims in Nye and Esmeralda Counties, Nevada, United States of America in December 2022 (**Nevada Claims**);
- (b) the NVR Parties claim of ownership of any interest in the Nevada Claims; and
- (c) the alleged use of any confidential or proprietary information or data relating to the lands on which WC1 Nevada located the Nevada Claims.

The Board evaluated the cost and time involved with potential litigation in a foreign jurisdiction and determined that a settlement of the dispute was in the best interests of the Company. The settlement does not involve any admission of breach or liability by the Company.

As consideration for the parties agreement to compromise, settle and release their respective claims relating to the alleged breach of the Confidentiality Agreements, the Company has agreed, subject to Shareholder approval (which approval is being sought pursuant to Resolutions 8, 9 and 10), to issue the NVR Parties the following:

- (a) 1,500,000 Shares (**Settlement Shares**) pursuant to Resolution 8;
- (b) 3,000,000 Options at an exercise price of \$0.20 and expiring on 31 July 2027 (**Settlement Options**) pursuant to Resolution 9; and
- (c) 2,500,000 Performance Rights to be issued on the basis that the Company completes exploratory drilling on any of the Nevada Claims which result in a single intercept of 20 meters true width having an average grade of lithium equal to or greater than 700 ppm on or before 31 August 2025 (**Settlement Performance Rights**) pursuant to Resolution 10,

(together, the **Settlement Securities**).

The Settlement Shares will be subject to voluntary escrow for a period of six months from the date of issue.

Refer to Schedule 5 for the terms and conditions of the Settlement Options and Schedule 6 for the terms and conditions of the Settlement Performance Rights.

For further information on the Nevada Claims, refer to the Company's ASX announcement dated 26 June 2023 and 17 October 2023.

Resolutions 8, 9 and 10 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 8, 9 and 10.

## 11.2 **Listing Rule 7.1**

Refer to Section 7.1 for a summary of Listing Rule 7.1.

The issue of the Settlement Securities does not fall within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by Shareholders, will effectively use up part of the Company's 15% Placement Capacity in Listing Rule 7.1 reducing the Company's placement capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 months following the issue of the Consideration Shares.

Resolution 8 seeks the required Shareholder approval to issue 1,500,000 Settlement Shares to the NVR Parties for the purposes of Listing Rule 7.1 (and for all other purposes).

Resolution 9 seeks the required Shareholder approval to issue 3,000,000 Settlement Options to the NVR Parties for the purposes of Listing Rule 7.1 (and for all other purposes).

Resolution 10 seeks the required Shareholder approval to issue 2,500,000 Settlement Performance Rights to the NVR Parties for the purposes of Listing Rule 7.1 (and for all other purposes).

If Resolutions 8, 9 and 10 are passed, the Company will be able to proceed with the issue of Settlement Securities. In addition, the Settlement Securities will be issued without using up any of the Company's 15% Placement Capacity on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

If Resolutions 8, 9 and 10 are not passed, the Settlement Securities will not be issued to the NVR Parties and the Company will be required to satisfy its obligation under the Settlement Agreement with some other form of consideration, likely cash, which would otherwise be directed to the Company's existing assets and new opportunities.

## 11.3 **Specific information required by Listing Rule 7.3**

The following information in relation to Resolutions 8, 9 and 10 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Settlement Securities will be issued to the NVR Parties. None of the NVR Parties are a related party, a member of the Key Management Personnel, a substantial shareholder or an advisor of the Company or an associate of one of those persons.
- (b) The maximum number of Settlement Securities to be issued to the NVR Parties comprise:
  - (i) 1,500,000 Shares pursuant to Resolution 8;
  - (ii) 3,000,000 Options pursuant to Resolution 9; and
  - (iii) 2,500,000 Performance Rights pursuant to Resolution 10.
- (c) The Settlement Shares (and the Shares to be issued on the exercise or conversion of the Settlement Options and Settlement Performance Rights) will be fully paid ordinary shares and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Settlement Securities will be issued no later than three months following 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 Settlement Options each have an exercise price of \$0.20 per Option and will expire on 31 July 2027. The terms and conditions of the Settlement Options are detailed in Schedule 5.
- (f) The terms and conditions of the Settlement Performance Rights are detailed in Schedule 6.
- (g) The Settlement Securities will be issued as consideration for the settlement of claims made by the NVR Parties. Accordingly, no funds will be raised from the issue of Settlement Securities.
- (h) The Settlement Securities are being issued under the Settlement Agreement. A summary of the material terms of the Settlement Agreement is detailed in Section 11.1.
- (i) A voting exclusion statement is included in this Notice for Resolutions 8, 9 and 10.

#### 11.4 **Board Recommendation**

The Board recommends that Shareholders vote in favour of Resolutions 8, 9 and 10.

## Schedule 1

### Definitions

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

**\$ or A\$** means Australian Dollars.

**15% Placement Capacity** has the meaning given in Section 7.1.

**5% Threshold** has the meaning given in Section 9.4.

**10% Placement Facility** has the meaning given in Section 7.1.

**10% Placement Period** has the meaning given in Section 7.2(f).

**Acquisition** has the meaning given in Section 10.1.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2023, which can be downloaded from the Company's website at [www.westcobarmetals.com.au](http://www.westcobarmetals.com.au).

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**AWST** means Australian Western Standard Time, being the time in Perth, Western Australia.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the current board of Directors of the Company.

**Chairperson** means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act.

**Company** means West Cobar Metals Limited (ACN 649 994 669).

**Confidentiality Agreements** has the meaning given in Section 11.1.

**Consideration Shares** has the meaning given in Section 10.1.

**Constitution** means the constitution of the Company.

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

**Dundas** means Dundas Minerals Limited (ACN 640 432 819).

**Eligible Participants** has the meaning given in Section 8.1.

**Employee Incentives** has the meaning given in Section 8.1.

**Equity Security** has the same meaning as in the Listing Rules.

**Existing Plan** has the meaning given in Section 8.1.

**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 of the Company and its controlled entities.

**GF Global LLC** means GF Global LLC, a Delaware limited liability company.

**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, directly or indirectly, 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.

**Kryptonite LLC** means Kryptonite LLC d/b/a NV Resources, a Nevada limited liability company.

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

**Managing Director** means the managing director of the Company.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Nedeel LLC** means Nedeel LLC, a Nevada limited liability company.

**Nevada Claims** has the meaning given in Section 11.1.

**Notice** means the notice of Meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

**NVR Parties** has the meaning given in Section 11.1.

**Option** means an option which entitles the holder to subscribe for a Share.

**Performance Right** means a right to acquire a Share.

**Plan** has the meaning given in Section 8.1.

**Potential Retirement Benefits** has the meaning given in Section 9.2.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

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

**Sale Agreement** means the tenement sale agreement entered into between Dundas and the Company, as summarised in Schedule 4.

**Settlement Agreement** means the settlement and mutual release agreement entered into between the Company, WC1 Nevada and the NVR Parties.

**Settlement Performance Rights** has the meaning given in Section 11.1.

**Settlement Options** has the meaning given in Section 11.1.

**Settlement Securities** has the meaning given in Section 11.1.

**Settlement Shares** has the meaning given in Section 11.1.

**Schedule** means a schedule to this Explanatory Memorandum.

**Section** means a section of this Explanatory Memorandum.

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

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

**Strike** has the meaning given in Section 4.

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

**VWAP** means volume weighted average price.

**WC1 Nevada** has the meaning given in Section 11.1.

## Schedule 2

### Summary of Employee Incentive Plan

The terms of the West Cobar Metals Limited Employee Incentive Plan (**Plan**) are summarised below. A copy of the Plan can be obtained by contacting the Company.

#### Definitions

- 1 For the purposes of the Plan:
  - 1.1 **Agreed Leaver** means a Participant who ceases to be an Eligible Participant in any of the following circumstances:
    - 1.1.1 the Participant and Board have agreed in writing that the Participant has entered into bona fide retirement;
    - 1.1.2 the Participant and the Board have agreed in writing that the Participant's role has been made redundant;
    - 1.1.3 the Board has determined that:
      - (a) Special Circumstances apply to the Participant; or
      - (b) the Participant is no longer able to perform their duties under their engagement or employment arrangements with the Company due to poor health, injury or disability;
    - 1.1.4 the Participant's death; or
    - 1.1.5 any other circumstance determined by the Board in writing.
  - 1.2 **Application** means an application by an Eligible Participant to participate in the Plan made in response to an Offer.
  - 1.3 **Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or any person who is provided with delegated authority by the board of directors from time to time.
  - 1.4 **Eligible Participant** means:
    - 1.4.1 Directors and Employees who are determined by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives; or
    - 1.4.2 any other person who is determined by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives.
  - 1.5 **Employee** means an employee, consultant or contractor of the Company, or any member of the Group.
  - 1.6 **Employee Incentive** means any:
    - 1.6.1 Share, Option or Performance Right granted, issued or transferred; or
    - 1.6.2 Share(s) issued pursuant to the exercise of an Option or conversion of a Performance Right,under the Plan.
  - 1.7 **Group** means the Company and its Associated Entities (within the meaning given in section 50AAA of the Corporations Act).
  - 1.8 **Non-Agreed Leaver** means a Participant who ceases to be an Eligible Participant and:

- 1.8.1 does not meet the Agreed Leaver criteria; or
- 1.8.2 meets the Agreed Leaver criteria but the Board has determined in writing that they be treated as a Non-Agreed Leaver.
- 1.9 **Offer** means an offer to an Eligible Participant, in the form of an Offer Letter, to apply for the grant of Employee Incentives under the Plan.
- 1.10 **Offer Letter** means a letter containing an Offer to an Eligible Participant that sets out the terms and conditions of the Offer.
- 1.11 **Option** means an option granted under the Plan to subscribe for, acquire and/or be allocated (as determined by the Board in its sole and absolute discretion) one Share subject to the Plan Rules and such terms and conditions as determined by the Board.
- 1.12 **Participant** means:
  - 1.12.1 an Eligible Participant who has been granted Employee Incentives under the Plan; or
  - 1.12.2 where an Eligible Participant has made a nomination:
    - (a) the Eligible Participant; or
    - (b) the nominee of the Eligible Participant who has been granted Employee Incentives under the Plan,
 as the context requires.
- 1.13 **Performance Right** means a right granted under the Plan to be issued one Share subject to the Plan Rules and such terms and conditions as determined by the Board.
- 1.14 **Share** means a fully paid ordinary share in the capital of the Company, including those issued under the Plan or issued pursuant to the exercise of an Option or conversion of a Performance Right.
- 1.15 **Special Circumstance** means any of the following:
  - 1.15.1 the death of the Participant; or
  - 1.15.2 the total and permanent disablement of the Participant such that the Participant is unlikely ever to engage in any occupation for which the Participant is reasonably qualified by education, training or experience.
- 1.16 **Vesting Conditions** means any condition(s) (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be satisfied or waived in order for Employee Incentives to vest in accordance with their terms.

## **Participation**

- 2 The Board may from time to time in its sole and absolute discretion determine that an Eligible Participant may participate in the Plan.
- 3 Following determination that an Eligible Participant may participate in the Plan, the Board may at any time, and from time to time, make an Offer to the Eligible Participant.

## **Offer**

- 4 The manner, form, content, timing and frequency of Offers will be as determined by the Board in its sole and absolute discretion.
- 5 An Offer must be set out in an Offer Letter delivered to the Eligible Participant. The Offer Letter may specify (as determined by the Board):
  - 5.1 that the Offer is expressed to be made under Division 1A of Part 7.12 of the Corporations Act;



- 5.2 the number of Shares, Options or Performance Rights;
  - 5.3 the grant date;
  - 5.4 the fee payable by the Eligible Participant on the grant of Shares, Options or Performance Rights (if any);
  - 5.5 the Vesting Conditions (if any);
  - 5.6 the exercise price (if any);
  - 5.7 the exercise period (if applicable);
  - 5.8 the performance period (if applicable); and
  - 5.9 the expiry date and term (if applicable).
- 6 An Offer must be accompanied by an Application, the terms and conditions of the relevant Employee Incentives and a copy of the Plan.

### **Nominee**

- 7 Unless expressly permitted in the Offer or by the Board, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person.
- 8 If an Eligible Participant is permitted in the Offer or by the Board, the Eligible Participant may nominate a related party (**Nominee**) to be issued the Employee Incentives the subject of the Offer.
- 9 The Board may in its discretion resolve not to allow a Nominee to be issued or transferred the Employee Incentives the subject of the Offer without giving any reason for that decision.

### **Employee Share Trust**

- 10 The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Shares for Participants under the Plan and delivering Shares to Participants for an issue of Shares upon exercise of the Options or the vesting of a Performance Right or otherwise (in which case section 1100S of the Corporations Act will be complied with, as applicable).

### **Employee Loan**

- 11 The Board may, as part of any Offer under the Plan, in its absolute discretion, offer to a Participant a limited recourse, interest free loan to be made by the Company to the Participant for an amount equal to the issue price for the Shares offered to the Participant pursuant to the relevant Offer under the Plan.

### **Vesting Conditions**

- 12 The Board may at its sole discretion determine the Vesting Conditions which will apply to any Employee Incentives. The Vesting Conditions will specify the criteria that the Eligible Participant is required to meet in the specified performance period (if any) in order to exercise Options or for Performance Rights to vest to become entitled to receive Shares under the Plan.
- 13 The Board may vary the Vesting Conditions and/or the performance period after the grant of those Employee Incentives, subject to:
- 13.1 the Company complying with any applicable laws;
  - 13.2 the Vesting Conditions and/or the performance period as varied being no less favourable to the Participant than the terms upon which the Employee Incentives were originally granted; and
  - 13.3 the Board promptly notifying a Participant of any such variation.
- 14 The Board will determine in its sole discretion whether (and, where applicable, to what extent) the Participant has satisfied the Vesting Conditions applicable to the relevant performance period. As

soon as practicable after making that determination the Board must inform the Participant of that determination by issuing the Participant a vesting notification.

- 15 Where Employee Incentives have not satisfied the Vesting Conditions within the performance period, those Employee Incentives will automatically lapse.

#### **Maximum Allocation**

- 16 The maximum number of Employee Incentives that may be granted pursuant to the Plan must not at any time exceed 10% of the total number of Shares on issue.

- 17 An Offer of Employee Incentives for monetary consideration may only be made if the Company reasonably believes that:

17.1 the total number of Shares that may be issued comprising the Employee Incentives (including upon exercise or conversion of Options or Performance Rights); and

17.2 the total number of Shares that have been issued or may be issued, comprising Employee Incentives (including upon exercise or conversion of Options or Performance Rights) issued, or which may be issued, under Offers that were both received in Australia and made in connection with the Plan; and employee share scheme interests (including upon exercise or conversion of employee share scheme interests) issued, or which may be issued, under offers that were both received in Australia and made in connection with any employee share scheme other than the Plan,

(in aggregate, and whether offered for monetary consideration or no monetary consideration) during the previous three (3) years ending on the day the proposed Offer is made, does not exceed 5% of the total number of Shares on issue as at the start of the day on which the proposed Offer is made (of if the Constitution specifies an issue cap percentage, that percentage).

- 18 The maximum allocation may be increased by Board resolution, provided such an increase complies with the applicable law.

#### **Lapsing of Employee Incentives**

- 19 Subject to clause 20 or the Board deciding otherwise, a Participant's Employee Incentives shall automatically lapse and be cancelled for no consideration on the earliest to occur of the following:

19.1 where the Participant is a Non-Agreed Leaver, upon the occurrence of a lapsing event in accordance with clause 22;

19.2 where clause 23 applies;

19.3 if the applicable Vesting Conditions are not achieved by the end of the relevant performance period;

19.4 if the Board determines in its reasonable opinion that the applicable Vesting Conditions have not been met or cannot be met prior to the expiry date or the end of the relevant performance period (as applicable);

19.5 the expiry date;

19.6 the receipt by the Company of notice from the Participant that the Participant has elected to surrender the Employee Incentives; or

19.7 any other circumstances specified in any Offer Letter pursuant to which the Employee Incentives were issued.

#### **Agreed Leaver**

- 20 Subject to clause 21, where a Participant who holds Employee Incentives becomes an Agreed Leaver:

- 20.1 all vested and (subject to clause 20.2 unvested Employee Incentives which have not been exercised in accordance with the Plan Rules will continue in force, unless the Board determines otherwise in its sole and absolute discretion; and
- 20.2 the Board may at any time, in its sole and absolute discretion, do one or more of the following:
  - 20.2.1 permit unvested Employee Incentives held by the Agreed Leaver to vest;
  - 20.2.2 amend the Vesting Conditions or reduce the performance period or Exercise Period of such unvested Employee Incentives; or
  - 20.2.3 determine that the unvested Employee Incentives will lapse.
- 21 Where a person is an Agreed Leaver due to a Special Circumstance, the nominated beneficiary shall be entitled to benefit from any exercise of the above discretionary powers by the Board.

### **Non-Agreed Leaver**

- 22 Where a Participant who holds Employee Incentives becomes a Non-Agreed Leaver:
  - 22.1 unless the Board determines otherwise in its sole and absolute discretion, all unvested Employee Incentives will immediately lapse;
  - 22.2 unless the Board determines otherwise in its sole and absolute discretion, all vested Employee Incentives will lapse 30 days after the Participant who holds Employee Incentives becomes a Non-Agreed Leaver (if they have not already lapsed by the end of that period); and
  - 22.3 the Board may determine to exercise the right to buy-back any Employee Incentives in accordance with the Plan.

### **Forfeiture events**

- 23 Where, in the reasonable opinion of the Board, a Participant or former Participant (which for the avoidance of doubt may include an Agreed Leaver):
  - 23.1 acts fraudulently or dishonestly;
  - 23.2 wilfully breaches his or her duties to the Company or any member of the Group;
  - 23.3 has, by any act or omission, in the opinion of the Board (determined in its absolute discretion):
    - 23.3.1 brought the Company, the Group, its business or reputation into disrepute; or
    - 23.3.2 is contrary to the interest of the Company or the Group;
  - 23.4 commits any material breach of the provisions of any employment contract or services contract entered into by the Participant with any member of the Group;
  - 23.5 commits any material breach of any of the policies of the Group or procedures or any applicable laws applicable to the Company or Group;
  - 23.6 is subject to allegations concerning, or has been accused of, charged with or convicted of, fraudulent or dishonest conduct in the performance of the Participant's (or former Participant's) duties, which in the reasonable opinion of the Board affects the Participant's suitability for employment with any member of the Group, or brings the Participant or the relevant member of the Group into disrepute or is contrary to the interests of the Company or the Group;
  - 23.7 is subject to allegations concerning, or has been accused of, charged with or convicted of any criminal offence which involves, fraud or dishonesty or any other criminal offence which Board determines (in its absolute discretion) is of a serious nature;

- 23.8 has committed any wrongful or negligent act or omission which has caused any member of the Group substantial liability;
- 23.9 has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation;
- 23.10 has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice;
- 23.11 has wilfully or negligently failed to perform their duties under any employment contract or services contract entered into by the Participant with any member of the Group;
- 23.12 had engaged in a transaction which involves a conflict of interest to their employment with the Company resulting in the Participant or former Participant obtaining a personal benefit;
- 23.13 accepts a position to work with a competitor of the Company or Group;
- 23.14 acting in such a manner that could be seen as being inconsistent with the culture and values of the Company or the Group; or
- 23.15 any other act that the Board determines in its absolute discretion to constitute fraudulent or dishonest by the Participant or former Participant,

then the Board may (in its absolute discretion) deem that all, or part of, any Employee Incentives held by the Participant or former Participant will automatically be forfeited.

#### **Discretion of the Board**

- 24 The Board may decide to allow a Participant to:
  - 24.1 retain and exercise any or all of their Options, whether or not the Vesting Conditions have been satisfied during the performance period, and whether or not the Options would otherwise have lapsed, provided that no Options will be capable of exercise later than the relevant expiry date for those Options; and
  - 24.2 retain any Performance Rights regardless of:
    - 24.2.1 the expiry of the performance period to which those Performance Rights relate; or
    - 24.2.2 any failure by the Participant to satisfy in part or in full the Vesting Conditions specified by the Board in respect of those Performance Rights;
 in which case, the Board may:
    - 24.2.3 determine that any or all of those retained Performance Rights shall vest and the corresponding Shares shall be provided to the Participant; or
    - 24.2.4 determine a new performance period or Vesting Conditions (as applicable) for those retained Performance Rights and notify the Participant of the determination as soon as practicable.

#### **Rights attaching to securities**

- 25 Any Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares, including those Shares issued, directly, under the Plan, on and from the date of allotment, issue or transfer in respect of all rights and bonus issues, and dividends which have a record date for determining entitlements on or after the date of allotment, issue, or transfer of those Shares.

#### **Holding Lock**

- 26 The Board may at any time request that the Company's share registry impose a holding lock on any Employee Incentives issued pursuant to the Plan where the Board determines or reasonably

believes (in its absolute discretion) that a Participant (or a former Participant) has or may breach the Plan Rules.

### **No transfer of Options or Performance Rights**

- 27 Any Options or Performance Rights issued to a Participant under the Plan may not be assigned, transferred, encumbered or otherwise disposed of unless the prior consent of the Board is obtained (which the Board may withhold in its sole discretion) or such assignment or transfer occurs by force of law upon the death or total and permanent disablement of a Participant to the Participant's legal representative.

### **Contravention of Rules**

- 28 The Board may at any time, in its sole and absolute discretion, take any action it deems reasonably necessary in relation to any Employee Incentives if it determines or reasonably believes a Participant has breached the Plan Rules or the terms of issue of any Employee Incentives, including but not limited to, signing transfer forms in relation to Employee Incentives, placing a holding lock on Employee Incentives, signing any and all documents and doing all acts necessary to effect a buy-back, accounting for the proceeds of the sale of forfeited Employee Incentives, refusing to transfer any Employee Incentives and/or refusing to issue any Shares.

### **Amendments**

- 29 Subject to the Constitution, the Board may at any time amend the Plan Rules or the terms and conditions upon which any Employee Incentives have been issued.
- 30 No amendment to the Plan Rules or to Employee Incentives may be made if the amendment, in the reasonable opinion of the Board, materially reduces the rights of any Participant in respect of Employee Incentives granted to them prior to the date of the amendment, other than:
- 30.1 an amendment introduced primarily:
    - 30.1.1 for the purposes of complying with or conforming to present or future applicable laws;
    - 30.1.2 to correct any manifest error or mistake;
    - 30.1.3 to allow the implementation of a trust arrangement in relation to the holding of Shares granted under the Plan; and/or
    - 30.1.4 to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation or duty authorities administering such legislation; or
  - 30.2 an amendment agreed to in writing by the Participant(s).

## Schedule 3

### Terms and Conditions of Performance Rights

The issue of the Performance Rights are to be issued under the Plan and will be subject to the Plan rules. If there is any inconsistency or conflict between the terms in this Schedule 3 and the Plan, then the terms in this Schedule 3 shall prevail.

#### Grantor

- 1 The grantor of the Performance Rights is West Cobar Metals Limited ACN 649 994 669 (the **Company**).

#### Entitlement

- 2 Each Performance Right entitles the holder (**Holder**) to subscribe for and be issued with one fully paid ordinary share in the Company (**Share**), upon the satisfaction or waiver by the Board of the Vesting Conditions (defined below) applicable to that Performance Right, and the exercise of those vested Performance Right by the Holder in accordance with the Plan, on or before 22 June 2026.

#### No payment on grant

- 3 The Holder is not required to pay any amount to the Company for the grant of Performance Rights or any issue of Shares thereunder.

#### Vesting Conditions

- 4 The Performance Rights are subject to the following conditions, each of which constitutes a vesting condition (**Vesting Condition**):

Tranche	Number of Performance Rights	Vesting Condition
1	1,500,000	The Company releasing an ASX announcement of an economically feasible scoping study on the Company's Salazar Rare Earth Project.
2	1,500,000	The Company releasing an ASX announcement detailing a JORC Mineral Resource estimate of not less than 120 million tonnes with a grade above 800ppm TREO for the Company's Salazar Rare Earth Project or (as determined by the Board an equivalent economic value new JORC Mineral Resource for a different commodity).

- 5 For the purposes of these terms and conditions:
  - 5.1 **JORC Mineral Resource** has the same meaning as the term "mineral resource" has in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, as amended or replaced from time to time; and
  - 5.2 **TREO** means total rare earth oxides.
- 6 Performance Rights will vest and become exercisable by the Holder on the satisfaction or waiver by the Board of the relevant Vesting Condition. The Company will notify the Holder upon the satisfaction of a Vesting Condition (**Vesting Notification**).

## Exercise of Performance Rights

- 7 Performance Rights may not be exercised before the Company has issued a Vesting Notification to the Holder for those Performance Rights.
- 8 At any time after the Company has issued a Vesting Notification to the Holder in relation to Performance Rights, the Holder may issue a written exercise notice (**Exercise Notice**) to the Company specifying how many vested Performance Rights the Holder wishes to exercise.

## Timing of the Issue of Shares and Quotation

- 9 Within five (5) business days of the later of the following:
  - 9.1 receipt by the Company of a valid Exercise Notice by the Holder; and
  - 9.2 when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information (if there is no such information the relevant date will be five (5) Business Days after the date of receipt of an Exercise Notice as set out in paragraph 9.1 immediately above,the Company will:
  - 9.3 allot and issue the Shares pursuant to the vesting of the Performance Rights;
  - 9.4 as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
  - 9.5 if the Company is listed on ASX, apply for official quotation on ASX of Shares issued pursuant to the vesting of the Performance Rights.
- 10 The Shares issued upon exercise of a Performance Right will rank equally in all respects with the Company's fully paid ordinary shares then on issue.

## Reorganisation

- 11 If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Holder who holds such Performance Rights will be varied in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

## No Conferral of Rights

- 12 A Holder who holds Performance Rights is not entitled to:
  - 12.1 notice of, or to vote or attend at, a meeting of the holders of Shares (**Shareholders**);
  - 12.2 receive any dividends declared by the Company;
  - 12.3 participate in any new issues of securities offered to Shareholders during the term of the Performance Rights;
  - 12.4 any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; or
  - 12.5 cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Performance Rights are exercised such that the Holder holds Shares.

## Pro Rata Issue of Securities

If during the term of any Performance Right, the Company makes a pro rata issue of securities to the Shareholders by way of a rights issue, the Holder shall not be entitled to participate in the rights issue in respect of any Performance Rights.

- 13 The Holder will not be entitled to any adjustment to the terms or conditions of the Performance Rights, as a result of the Company undertaking a rights issue.

#### **Adjustment for Bonus Issue**

- 14 If, during the term of any Performance Right, securities are issued pro rata to Shareholders by way of bonus issue, the number of Shares which the Holder is entitled to receive when they exercise the Performance Right, shall be increased by that number of additional securities which the Holder would have been issued if the Performance Rights then held by the Holder had been validly exercised and the resulting Shares had been held immediately prior to the record date for the bonus issue.

#### **Change of Control**

- 15 For the purposes of these terms and conditions, a **Change of Control Event** occurs if:
- 15.1 the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, subdivision, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
  - 15.2 a Takeover Bid:
    - 15.2.1 is announced;
    - 15.2.2 has become unconditional; and
    - 15.2.3 the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;
  - 15.3 any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means; or
  - 15.4 the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.
- 16 Where a Change of Control Event has occurred or, in the opinion of the Board, there is a state of affairs that will or is likely to result in a Change of Control Event occurring, all granted Performance Rights which have not yet lapsed shall automatically and immediately vest (to the extent they have not already vested), regardless of whether any Vesting Conditions have been satisfied, and shall be deemed to have been automatically exercised (notwithstanding the matters in paragraphs 6 and 8 above not having occurred).
- 17 For the purposes of these terms and conditions, **Takeover Bid** and **Relevant Interest** have the meanings given to those terms under section 9 of the Corporations Act.

#### **Quotation**

- 18 The Company will not seek official quotation of any Performance Rights.

#### **Performance Rights Not Property**

- 19 The Holder's Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

#### **No Transfer of Performance Rights**

- 20 A Performance Right is not transferable.



## Schedule 4

### Summary of Tenement Sale Agreement

Tenement Sale Agreement		
1	<b>Consideration</b>	<p>The consideration payable for the Assets is:</p> <ul style="list-style-type: none"> <li>(a) 5,000,000 Shares at a deemed issue price of \$0.086 per Share, based on the closing price of Shares on 22 September 2023 (<b>Consideration Shares</b>); and</li> <li>(b) a \$20,000 cash payment.</li> </ul>
2	<b>Assets</b>	<p>The Assets comprise the legal and beneficial interest in:</p> <ul style="list-style-type: none"> <li>(a) E63/2056, E63,2083, E63/2078 and E63/2063 (the <b>Tenements</b>);</li> <li>(b) the mining information relating to the Tenements; and</li> <li>(c) the benefit of any access agreements, heritage agreements or native title agreements entered into by Dundas to the extent that each of those agreements or deeds apply to the Tenements (<b>Third Party Agreements</b>).</li> </ul>
3	<b>Conditions Precedent</b>	<p>Completion of the Acquisition is conditional upon:</p> <ul style="list-style-type: none"> <li>(a) the Company obtaining all necessary Shareholder and regulatory approvals required for the issue of the Consideration Shares to Dundas;</li> <li>(b) Dundas obtaining consents from third parties if required under any Third Party Agreements;</li> <li>(c) Dundas, the Company and, if necessary under the Third Party Agreements, the relevant third party, executing a deed of assignment and assumption in relation to each Third Party Agreement;</li> <li>(d) Dundas lodging Form 5 Operations Reports with the Department of Mines, Industry Regulation and Safety for each of E63/2078 and E63/2083 for the expenditure years ending 2023 and which show those tenements to be in good standing.</li> </ul>
4	<b>Completion</b>	<p>Completion of the Acquisition will occur on the date which is two (2) business days after the last of the conditions precedent are satisfied or waived, or such other date as the parties may agree.</p>
5	<b>Warranties</b>	<p>Each party to the Agreement has provided warranties considered customary for an agreement of this nature.</p>
6	<b>Escrow</b>	<p>The Consideration Shares will be subject to 24 months voluntary escrow from the date of issue, subject to certain release events occurring.</p>

## Schedule 5

### Terms and Conditions of the Settlement Options

#### Entitlement

- 1 Each Option entitles the holder (**Holder**) to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

#### Exercise Price and Expiry Date

- 2 The exercise price of the Options is \$0.20 per Option (**Exercise Price**).
- 3 Each Option will expire on 31 July 2027 (**Expiry Date**).

#### Exercise Period

- 4 Each Option is exercisable at any time prior to the Expiry Date (**Exercise Period**). After this time, any unexercised Options will automatically lapse.

#### Notice of Exercise

- 5 The Options may be exercised by notice in writing to the Company (in a form acceptable to the Company) (**Notice of Exercise**) and payment of the applicable Exercise Price for each Option being exercised.

#### Minimum Exercise Price

- 6 Options must be exercised in multiples of one thousand (1,000) unless fewer than one thousand (1,000) Options are held by a Holder.

#### Shares Issued on Exercise

- 7 Shares issued on exercise of the Options rank equally with the Shares on issue and will be free of all encumbrances, liens and third party interests.

#### Quotation of the Shares

- 8 If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

#### Timing of the Issue of Shares and Quotation

- 9 Within five (5) business days after the later of the following:
  - 9.1 receipt of a Notice of Exercise and payment of the applicable Exercise Price for each Option being exercised in accordance with clause 5; and
  - 9.2 when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date of receipt of a Notice of Exercise as detailed in clause 5 above),the Company will:
  - 9.3 allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - 9.4 as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- 9.5 if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- 10 If, for any reason, a Notice of Exercise delivered under clause 5 is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

### **No Conferral of Rights**

- 11 A Holder who holds Options is not entitled to:
- 11.1 notice of, or to vote or attend at, a meeting of the holders of Shares (**Shareholders**);
  - 11.2 receive any dividends declared by the Company;
  - 11.3 participate in any new issues of securities offered to Shareholders during the term of the Options;
  - 11.4 any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; or
  - 11.5 cash for the Options or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Options are exercised and the Holder holds Shares.

### **Adjustment for Bonus Issues of Shares**

- 12 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):
- 12.1 the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
  - 12.2 no change will be made to the Exercise Price.

### **Adjustment for Rights Issue**

- 13 If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

where:

O' = the new Exercise Price of the Option.

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

### **Adjustments for Reorganisation**

- 14 If there is any reconstruction of the issued share capital of the Company, the rights of the Holder may be varied to comply with the Listing Rules that apply to the reconstruction at the time of the reconstruction.

### **Quotation**

- 15 The Company will not seek official quotation of any Options.

### **Transferability**

- 16 The Options are not transferable.

### **Lodgement Requirements**

- 17 Cheques shall be in Australian currency made payable to the Company and crossed 'Not Negotiable'. The application for Shares on the exercise of the Options with the appropriate remittance must be lodged with the Company's share registry.

## Schedule 6

### Terms and Conditions of the Settlement Performance Rights

#### Grantor

- 1 The grantor of the Performance Rights is West Cobar Metals Limited ACN 649 994 669 (the **Company**).

#### Entitlement

- 2 Each Performance Right entitles the holder (**Holder**) to subscribe for and be issued with one fully paid ordinary share in the Company (**Share**), upon the satisfaction of the Vesting Condition (defined below) applicable to that Performance Right, and the exercise of those vested Performance Right by the Holder, on or before the Expiry Date.

#### No payment on grant

- 3 The Holder is not required to pay any amount to the Company for the grant of Performance Rights or any issue of Shares thereunder.

#### Vesting Condition

- 4 The Performance Rights will only vest and entitle the Holder to be issued Shares if the applicable vesting condition has been satisfied prior to the Expiry Date (**Vesting Condition**):

Tranche	Number of Performance Rights	Vesting Condition	Expiry Date
1	2,500,000	The Company completing exploratory drilling on any off the Nevada Claims which results in a single intercept of 20 meters true width having an average grade of lithium equal to or greater than 700ppm.	31 August 2025

- 5 The Company will notify the Holder upon the satisfaction of a Vesting Condition (**Vesting Notification**).

#### Exercise of Performance Rights

- 6 Performance Rights may not be exercised before the Company has issued a Vesting Notification to the Holder for those Performance Rights.
- 7 At any time after the Company has issued a Vesting Notification to the Holder in relation to Performance Rights, the Holder may issue a written exercise notice (**Exercise Notice**) to the Company specifying how many vested Performance Rights the Holder wishes to exercise.

#### Lapse of Performance Rights

- 8 Where Performance Rights have not satisfied the Vesting Condition by the Expiry Date those Performance Rights will automatically lapse.

#### Timing of the Issue of Shares and Quotation

- 9 Within five (5) business days of the later of the following:
- 9.1 the satisfaction of the Vesting Condition applicable to the Performance Rights; and
- 9.2 when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date the relevant Vesting Condition is satisfied pursuant to clause 4,

the Company will:

- 9.3 allot and issue the Shares pursuant to the vesting of the Performance Rights;
- 9.4 as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- 9.5 if the Company is listed on ASX, apply for official quotation on ASX of Shares issued pursuant to the vesting of the Performance Rights.
- 10 Notwithstanding clause 9 above, the Company's obligation to issue such Shares shall be postponed if such Holder at any time after the relevant Vesting Condition is satisfied pursuant to clause 4 elects for the Shares to be issued to be subject to a holding lock for a period of twelve (12) months. Following any such election:
- 10.1 the Shares to be issued or transferred will be held by such Holder on the Company's issuer sponsored sub-register (and not in a CHESS sponsored holding);
- 10.2 the Company will apply a holding lock on the Shares to be issued or transferred and such Holder is taken to have agreed to that application of that holding lock; and
- 10.3 the Company shall release the holding lock on the Shares on the date that is twelve (12) months from the date of issue of the Shares.
- 11 The Shares issued upon exercise of a Performance Right will rank equally in all respects with the Company's fully paid ordinary shares then on issue.

### **Reorganisation**

- 12 If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Holder who holds such Performance Rights will be varied in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

### **No Conferral of Rights**

- 13 A Holder who holds Performance Rights is not entitled to:
- 13.1 notice of, or to vote or attend at, a meeting of the holders of Shares (**Shareholders**);
- 13.2 receive any dividends declared by the Company;
- 13.3 participate in any new issues of securities offered to Shareholders during the term of the Performance Rights;
- 13.4 any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; or
- 13.5 cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Performance Rights are exercised such that the Holder holds Shares.

### **Pro Rata Issue of Securities**

- 14 If during the term of any Performance Right, the Company makes a pro rata issue of securities to the Shareholders by way of a rights issue, the Holder shall not be entitled to participate in the rights issue in respect of any Performance Rights.
- 15 The Holder will not be entitled to any adjustment to the terms or conditions of the Performance Rights, as a result of the Company undertaking a rights issue.

### **Adjustment for Bonus Issue**

- 16 If, during the term of any Performance Right, securities are issued pro rata to Shareholders by way of bonus issue, the number of Shares which the Holder is entitled to receive when they exercise the

Performance Right, shall be increased by that number of additional securities which the Holder would have been issued if the Performance Rights then held by the Holder had been validly exercised and the resulting Shares had been held immediately prior to the record date for the bonus issue.

**Quotation**

17 The Company will not seek official quotation of any Performance Rights.

**Performance Rights Not Property**

18 The Holder's Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

**No Transfer of Performance Rights**

19 A Performance Right is not transferable.



West Cobar Metals Limited | ABN 26 649 994 669

# Proxy Form

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

Your proxy voting instruction must be received by **10.00am (AWST) on Wednesday, 22 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



#### BY MAIL:

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