



**ASX Announcement** 26 October 2023

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## Notice of Annual General Meeting

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Peak Rare Earths Limited (ASX: **PEK**) confirms that the Annual General Meeting of the shareholders will be held on Thursday, 30 November 2023 at 11.00 am (AEDT) in the Banjo Paterson Room at the Sydney Harbour Marriott Hotel, 30 Pitt Street, Sydney.

Attached is a letter to shareholders, the Notice of the Annual General Meeting and a sample Proxy Form.

This announcement is authorised for release by the Board.

Phil Rundell  
Company Secretary

23 October 2023

Dear Shareholder

## **NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM**

The Annual General Meeting (**AGM**) of shareholders of Peak Rare Earths Limited (**the Company**) will be held at the Banjo Paterson Room, Sydney Harbour Marriott Hotel, 30 Pitt Street, Sydney, on Thursday, 30<sup>th</sup> November 2023 at 11.00am (AEDT).

The AGM will be held as a physical meeting and all shareholders are entitled to attend the AGM at the time, date and place set out above. The Company will also webcast the AGM to enable shareholders to view the meeting. Details on how to watch the AGM will be provided by emailing the Company at [info@peakrareearths.com](mailto:info@peakrareearths.com). Shareholders will not be able to vote, ask questions or otherwise participate in the AGM through the webcast.

In accordance with section 110D the Corporations Act 2001 (Cth), the Company will not be sending printed copies of the Notice of Annual General Meeting (**Notice of Meeting**) to shareholders, unless a shareholder has made a valid election to receive documents in hard copy.

Shareholders can access a copy of the Notice of Meeting, which sets out the agenda and resolutions being put to the meeting, as well as important voting information and an explanatory statement, at the Company's website at <https://peakrareearths.com/> or from the ASX market announcements platform website under the Company's code "AKM". You can also access a copy of the Company's 2023 Annual Report at the Company's website address or at the ASX Market Announcements Platform.

If you nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement. In order to receive electronic communications from the Company in the future, please update your shareholder details online at <https://peakrareearths.com/investor-centre/>

Enclosed for your convenience is a copy of your personalised Proxy Form for the meeting.

Shareholders are encouraged to vote prior to the meeting by lodging the Proxy Form by no later than 11.00 am (AEDT) on 28 November 2023, as per the instructions on the Proxy Form.

All resolutions will be decided by a poll based on votes submitted by proxy, together with votes cast at the AGM.

The Notice of Meeting and accompanying explanatory statement should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to the meeting.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Phil Rundell", is positioned below the closing text.

**Phil Rundell**  
Company Secretary  
Peak Rare Earths Limited

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**PEAK RARE EARTHS LIMITED**  
**ACN 112 546 700**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 11.00am (AEDT)

**DATE:** Thursday 30 November 2023

**PLACE:** Banjo Paterson Room  
Sydney Harbour Marriott Hotel  
30 Pitt Street  
Sydney, New South Wales, Australia

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

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00 pm (AEDT) on 28 November 2023.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### FINANCIAL STATEMENTS AND REPORTS

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To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report and the auditor's report.

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2023.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

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

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#### 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR RUSSELL SCRIMSHAW

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

*“That, for the purposes of clause 14.2 of the Company's Constitution, and for all other purposes, Dr Russell Scrimshaw, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR IAN CHAMBERS

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

*“That, for the purposes of Listing Rule 14.4 and clause 14.4 of the Constitution, and for all other purposes, Mr Ian Chambers (who was appointed as a Non-Executive Director on 20 March 2023) is elected as a Director.”*

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#### 4. RESOLUTION 4 – ELECTION OF DIRECTOR – MR NICHOLAS BOWEN

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

*“That, for the purposes of Listing Rule 14.4 and clause 14.4 of the Constitution, and for all other purposes, Mr Nicholas Bowen (who was appointed as a Non-Executive Director on 5 June 2023) is elected as a Director.”*

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**5. RESOLUTION 5 – ELECTION OF DIRECTOR – MS HANNAH BADENACH**

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

*“That, for the purposes of Listing Rule 14.4 and clause 14.4 of the Constitution, and for all other purposes, Ms Hannah Badenach (who was appointed as a Non-Executive Director on 1 July 2023) is elected as a Director.”*

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**6. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – MS SHASHA LU**

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

*“That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue 600,000 Performance Rights to Ms Shasha Lu (or her nominee) under the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting prohibition and exclusion statements apply to this Resolution. Please see below.

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**7. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – MR NICHOLAS BOWEN**

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

*“That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue 600,000 Performance Rights to Mr Nicholas Bowen (or his nominee) under the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting prohibition and exclusion statements apply to this Resolution. Please see below.

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**8. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – MS HANNAH BADENACH**

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

*“That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue 600,000 Performance Rights to Ms Hannah Badenach (or her nominee) under the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting prohibition and exclusion statements apply to this Resolution. Please see below.

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**9. RESOLUTION 9 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – HON. ABDULLAH MWINYI**

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

*“That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue 511,404 Performance Rights to Hon. Abdullah Mwinyi (or his nominee) under the Employee Incentive Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting prohibition and exclusion statements apply to this Resolution. Please see below.

**Dated: 23 October 2023**

**By order of the Board**



**Dr Russell Scrimshaw AM  
Executive Chairman**



## Voting Prohibition Statement

### Resolution 1 – Adoption of Remuneration Report

In accordance with the Corporations Act, the Company will disregard any votes cast on this Resolution:

- a) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- b) by a person who is a member of the Key Management Personnel at the date of the Meeting, or their Closely Related Parties, as a proxy.

However, votes will not be disregarded if they are cast as a proxy for a person entitled to vote on this Resolution:

- c) in accordance with a direction as to how to vote on the Proxy Form; or
- d) by the Chair pursuant to an express authorisation to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

If you appoint the Chair as your proxy, and you do not direct your proxy how to vote on the Proxy Form, you will be expressly authorising the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote undirected proxies in favour of Resolution 1.

### Resolutions 6, 7, 8 and 9 – Issues of Performance Rights to Directors

In accordance with the Corporations Act, a vote on Resolution 6, 7, 8 or 9 (as applicable) must not be cast by a person appointed as a proxy if:

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

However, the above prohibition does not apply if:

3. the proxy is the Chair; and
4. the appointment expressly authorises the Chair to exercise the proxy even though the applicable Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy, and you do not direct your proxy how to vote on the Proxy Form, you will be expressly authorising the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote undirected proxies in favour of Resolutions 6, 7, 8 and 9.

## Voting Exclusion Statement

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

### **Resolutions 6, 7, 8 and 9 – Issues of Performance Rights to Directors**

1. A person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Shasha Lu, Nicholas Bowen, Hannah Badenach and Abdullah Mwinyi); or
2. an associate of that person (or those persons).

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

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

## **VOTING**

### **Voting Entitlement**

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Shareholders recorded on the Company's register of members at 7.00 pm (AEDT) on 28 November 2023 will be entitled to vote on the items to be considered at the AGM.

### **Becoming a Shareholder**

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Persons who become registered Shareholders after this Notice has been dispatched, and wish to vote at the AGM by proxy, should call 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia) and request an additional personalised voting form.

Persons who become beneficial Shareholders after this Notice has been dispatched, and wish to vote at the AGM by proxy, should contact their broker or intermediary for instructions on how to do so.

### **Web Cast**

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The Company will webcast its AGM. However, Shareholders will not be able to vote, ask questions or otherwise participate in the AGM through the webcast. Rather, Shareholders who wish to vote on the Resolutions to be considered at the AGM but are not able to physically attend the AGM should appoint a proxy to vote at the AGM on their behalf.

To watch the Meeting via the live webcast, please email the Company at [info@peakrareearth.com](mailto:info@peakrareearth.com) to register your interest. You will then receive an email containing log in details for the webcast.

### **Voting Restrictions**

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The voting prohibitions under the Corporations Act, and voting exclusions under the Listing Rules, which apply to certain Resolutions are set out above.

## **PROXY FORMS**

### **Proxy Form**

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Shareholders will be provided with a personalised proxy form (**Proxy Form**). The Proxy Form allows Shareholders to appoint a proxy to vote on their behalf.

If you hold fully paid ordinary shares in the capital of the Company (**Shares**) in more

than one capacity, please complete the Proxy Form that is relevant to each holding.

Shareholders who intend to appoint a proxy are encouraged to submit their Proxy Forms as early as possible. Lodgement instructions (which include the ability to lodge proxies electronically) are set out below and in the Proxy Form.

### **Appointing Proxies**

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Shareholders, who are entitled to attend and vote at the AGM, may appoint a proxy to act generally at the AGM and to vote on their behalf.

A proxy need not be a Shareholder of the Company.

A Shareholder who is entitled to cast two or more votes at the AGM can appoint up to two proxies and should specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. If you wish to appoint two proxies, please call 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia) and request an additional Proxy Form.

### **Undirected Proxies**

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The Chair intends to vote all valid undirected proxies for all Resolutions in favour of each Resolution to the extent permitted by law and the Listing Rules.

### **Power of Attorney and Corporate Representatives**

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If the Proxy Form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

A body corporate member may elect to appoint a representative, rather than appoint a proxy. Where a body corporate appoints a representative, written proof of the representative's appointment must be lodged with, or presented to, the Company prior to the AGM.

A body corporate appointed as a proxy must also lodge a certificate of appointment of a corporate representative.

## **LODGING PROXY FORMS**

### **Deadline**

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Proxy Forms must be received by 11.00 am (AEDT) on 28 November 2023.

### **How to lodge Proxy Forms**

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You can lodge your Proxy Form with the Company:

**Online:** visit

<https://investorcentre.linkgroup.com>

**By Mail:** Peak Rare Earths Limited

C/- Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235 Australia

**By Fax:** +61 2 9287 0309

**By Hand:** Link Market Services Limited

Level 12, 680 George Street,

Sydney NSW 2000

Further details on how to lodge your Proxy Form can be found on the Proxy Form.

## **ATTENDING THE AGM IN PERSON**

To attend the AGM and vote in person,

attend the AGM at the time, date and place set out above.

## **SHAREHOLDER QUESTIONS**

Shareholders will be able to ask questions relevant to the business of the AGM. Shareholders are encouraged to ask questions in advance of the AGM by emailing the Company at [info@peakrareearths.com](mailto:info@peakrareearths.com)

Shareholders will also be permitted to ask questions in person at the AGM once the Chair has read out each item of business.

## **ENQUIRIES**

If you have any questions about this Notice or your Proxy Form please contact the Company's share registry, Link Market Services at 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).

## **By order of the Board**



**Dr Russell Scrimshaw AM**

**Executive Chairman**

**23 October 2023**

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## EXPLANATORY STATEMENT

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

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## FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.peakrarearths.com/reports](http://www.peakrarearths.com/reports)

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### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 1.1 General

The Corporations Act requires that, at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 1.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote.

If required, the Spill Resolution must be put to vote at the second of those annual general meetings. If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

#### 1.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

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## **2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR– DR RUSSELL SCRIMSHAW**

### **2.1 General**

The Constitution sets out the requirements for which Directors are to retire by rotation at an annual general meeting.

In accordance with the Constitution, Dr Russell Scrimshaw will retire by rotation at the 2023 AGM and, being eligible, will seek re-election as a Director.

If Resolution 2 is passed, Dr Scrimshaw will be re-elected as a director of the Company. If Resolution 2 is not passed, Dr Scrimshaw AM will not be re-elected as a director of the Company.

### **2.2 Qualifications and other material directorships**

Dr Russell Scrimshaw (AM) is a distinguished corporate executive and company director with experience in large scale mining project development and operations, product marketing, finance, business development and technology. Russell was a founding director of Fortescue Metals Group and served in executive roles including Deputy CEO and Executive Director. He was a key part of the management team that developed Fortescue's mining, port and rail operations and was instrumental in establishing Fortescue's strong relationships with large steel mill groups across a vast Asian customer base.

More recently Russell was Chairman of UK-listed Sirius Minerals PLC from 2011 to March 2020 (acquired by Anglo American in 2020), which is developing a large Polyhalite fertiliser project in North Yorkshire, in close proximity to Peak's Teesside site. He has also held senior executive positions at the Commonwealth Bank of Australia and Optus. Russell is currently Chairman of the Garvan Research Foundation, a Non-Executive Director of the Garvan Institute of Medical Research, Vice Chairman of Ignition Wealth and a Non-Executive Chairman of ARI Pty Ltd.

### **2.3 Board recommendation**

The Board (with Dr Scrimshaw abstaining due to his interest in the Resolution) recommends that Shareholders vote in favour of Resolution 2.

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## **3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR IAN CHAMBERS**

### **3.1 General**

On 20 March 2023, the Company appointed Mr Ian Chambers to the Board as a Non-Executive Director.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the number of Directors specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office until the next annual general meeting and is then eligible for election by Shareholders. If the appointment is not confirmed by Shareholders at that meeting, the person will cease to be a Director at the conclusion of the meeting.

If Resolution 3 is passed, Ian Chambers will be elected as a director of the Company. If Resolution 3 is not passed, Ian Chambers will not be elected as a director of the Company.

### **3.2 Qualifications and other material directorships**

Mr Ian Chambers is a distinguished executive and company director with more than 35 years of experience in international financial markets including institutional securities, wealth management and capital markets. Ian spent approximately 24 years with Morgan Stanley Australia where he was Managing Director, Head of Institutional Equities and Head of Wealth Management Australia. Ian has a proven record in organisational development, governance, operational management and financial performance. He is a member of ASIC's Financial Services Credit Panel and Markets Disciplinary Panel and was inducted into the Australian Stockbrokers Foundation Hall of Fame in 2015.

### **3.3 Other material**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Mr Chambers and is satisfied that no material adverse information has been revealed following these background checks.

### **3.4 Board recommendation**

The Board (excluding Mr Chambers) has reviewed the performance of Mr Chambers since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role.

Accordingly, the Board (with Mr Chambers abstaining due to his interest in the Resolution) recommends that Shareholders vote in favour of Resolution 3.

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## **4. RESOLUTION 4 – ELECTION OF DIRECTOR – MR NICHOLAS BOWEN**

### **4.1 Background**

On 5 June 2023, the Company appointed Mr Nicholas Bowen to the Board as a Non-Executive Director.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the number of Directors specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office until the next annual general meeting and is then eligible for election by Shareholders. If the appointment is not confirmed by Shareholders at that meeting, the person will cease to be a Director at the conclusion of the meeting.

### **4.2 Qualifications and other material Directorships**

Mr Nicholas Bowen has extensive experience in the construction, development and operation of international mining projects. He has spent over 35 years with ASX-listed construction and contract mining companies operating in both Australia and overseas, including Africa. Previous roles include 12 years as Managing Director of Macmahon Holdings Limited, two years as Executive Global Head of Mining Services with Orica Limited and nine years as Managing Director of mining contractor Eltin Limited. He has also held the head executive role at the Lubambe Copper Mine in Zambia and the Shishen Iron Ore Mine in South Africa. Mr Bowen is a Life Member of the Western Australian Chamber of Minerals and Energy, Member of the Australian Institute of Mining and Energy and Fellow of the Australian Institute of Company Directors.

### **4.3 Other material**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Mr Bowen and is satisfied that no material adverse information has been revealed following these background checks.

### **4.4 Board recommendation**

The Board (excluding Mr Bowen) has reviewed the performance of Mr Bowen since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role.

Accordingly, the Board (with Mr Bowen abstaining in relation to Resolution 4 due to his interest in the Resolution) recommends that Shareholders vote in favour of Resolution 4.

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## **5. RESOLUTION 5 – ELECTION OF DIRECTOR – MS HANNAH BADENACH**

### **5.1 Background**

On 1 July 2023, the Company appointed Ms Hannah Badenach to the Board as a Non-Executive Director.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the number of Directors specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office until the next annual general meeting and is then eligible for election by Shareholders. If the appointment is not confirmed by Shareholders at that meeting, the person will cease to be a Director at the conclusion of the meeting.

### **5.2 Qualifications and other material Directorships**

Ms Hannah Badenach is an experienced executive and company director with more than 20 years of experience in resources, supply chain, business development, commodity trading and marketing in global markets across Africa, Europe, Asia, South America and the Middle East.

Hannah has extensive experience, in particular in Africa and China, has built and run multiple metal supply chains across Africa (including Tanzania) and has an extensive network in China across sales and marketing. She holds a Bachelor of Arts/Law (Hons) from the University of Tasmania and is a graduate of the Australian Institute of Company Directors.

### **5.3 Other material**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Ms Badenach and is satisfied that no material adverse information has been revealed following these background checks.

### **5.4 Board recommendation**

The Board (excluding Ms Badenach) has reviewed the performance of Ms Badenach since her appointment to the Board and considers that her skills and experience will continue to enhance the Board's ability to perform its role.



Accordingly, the Board (with Ms Badenach abstaining in relation to Resolution 5 due to her interest in the Resolution) recommends that Shareholders vote in favour of Resolution 5.

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## 6. RESOLUTIONS 6, 7, 8 AND 9 – ISSUES OF PERFORMANCE RIGHTS TO DIRECTORS

### 6.1 Background

The Company has established an Employee Incentive Plan (**Plan**). The Plan was adopted by the Board on 3 May 2023 and approved by the Company's shareholders at the General Meeting held on 15 June 2023.

The objective of the Plan is to provide the Company with a remuneration mechanism to motivate and reward the performance of directors, employees and other qualifying individuals in achieving specific performance milestones through the issue of Equity Securities.

The Board seeks to ensure that any vesting conditions attaching to Equity Securities issued pursuant to the Plan are aligned with the successful growth of the Company's business activities. The purpose of the proposed issue of Performance Rights pursuant to Resolutions 6, 7, 8 and 9 is to assist in the relevant Director's reward and retention, and to align their interests as a Director with those of Shareholders.

The grant of the Performance Rights forms part of the Company's remuneration strategy for Directors. In this regard, if the relevant vesting condition is satisfied, the Performance Rights that have been issued subject to that vesting condition confer the right on the holder to be provided with a Share (or cash equivalent) without the requirement to pay any exercise price. Accordingly, the grant of Performance Rights subject to the satisfaction of vesting conditions provides Directors with the flexibility and incentive to benefit in circumstances where Shareholders are also likely to benefit, without the Directors needing to provide any additional cash consideration.

The Board acknowledges that the grant of Performance Rights to a non-executive director is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Performance Rights to Ms Shasha Lu, Mr Nicholas Bowen, Ms Hannah Badenach and Hon. Abdullah Mwinyi (being the subject of Resolutions 6, 7, 8 and 9) to be reasonable in order to further align their interests with those of Shareholders and to provide them with cost-effective consideration for their ongoing commitment and contribution to the Company.

The Company has agreed, subject to obtaining Shareholder approval, to issue:

- 600,000 Performance Rights to Shasha Lu (or her nominee) – Resolution 6;
- 600,000 Performance Rights to Nicholas Bowen (or his nominee) – Resolution 7;
- 600,000 Performance Rights to Hanah Badenach (or her nominee) – Resolution 8; and
- 511,404 Performance Rights to Hon. Abdullah Mwinyi (or his nominees) – Resolution 9,

**(Related Parties)** pursuant to the Plan and on the terms and conditions set out below.

The number of Performance Rights to be issued to each Director in each respective class of Performance Rights, and the vesting conditions attaching to those classes, are set out in the table below:

<b>Class</b>	<b>Vesting Condition</b>	<b>Ms Shasha Lu</b>	<b>Mr Nicholas Bowen</b>	<b>Ms Hannah Badenach</b>	<b>Hon. Abdullah Mwinyi</b>
Class A	Shall vest subject to the Eligible Participant remaining an Eligible Participant as at the date that is 12 months from the date of grant of the Class A Performance Rights to the Eligible Participant	90,000	90,000	90,000	76,711
Class B	Shall vest subject to the Eligible Participant remaining an Eligible Participant as at the date that is 24 months from the date of grant of the Class B Performance Rights to the Eligible Participant	90,000	90,000	90,000	76,711
Class C	Shall vest on financial close when all financing is secured and all conditions met so that construction of the Ngualla Rare Earth Project can commence	240,000	240,000	240,000	204,561
Class D	Shall vest on first shipment of a commercial quantity of concentrate produced from the Ngualla Rare Earth Project	180,000	180,000	180,000	153,421
<b>Total</b>		<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>511,404</b>

If Resolutions 6, 7, 8 and 9 are passed, the Company will be able to proceed with the issue of the Performance Rights to each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi under the Plan within three years after the date of the Meeting. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% placement capacity under Listing Rule 7.1.

If Resolutions 6, 7, 8 and 9 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi under the Plan and will be required to consider providing other forms of remuneration to them.

Chapter 2E of the Corporations Act

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

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

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

The issue of the Performance Rights to each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi constitutes the giving of a financial benefit and each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi is a related party of the Company for the purposes of the Corporations Act by virtue of being a Director.

The Board (excluding Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi in respect of the Resolution that relates to the issue of Performance Rights to them) has determined that the proposed issue of the Performance Rights the subject of Resolutions 6, 7, 8 and 9 constitutes reasonable remuneration having regard to the respective position of the Company and the relevant Related Party, including the duties and responsibilities of the Related Party in relation to the Company.

Accordingly, the Board (excluding Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi in respect of the Resolution that relates to the issue of Performance Rights to them) has determined that the issue of these rights falls within an exception to the need to obtain the approval of the Company's Shareholders for the purposes of Chapter 2E of the Corporations Act.

## **6.2 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

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

unless it obtains the approval of its shareholders.

The issue of Performance Rights to each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi, being the Related Parties, falls within Listing Rule 10.14.1 because each Related Party is a Director, and therefore requires the approval of Shareholders under Listing Rule 10.14.

Accordingly, Resolutions 6, 7, 8 and 9 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

## **6.3 Technical Information required by Listing Rule 10.15**

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 6, 7, 8 and 9:

### 1. Name of the person

The Performance Rights will be issued to the following persons:

- Shasha Lu (or her nominee) pursuant to Resolution 6; and
- Nicholas Bowen (or his nominee) pursuant to Resolution 7;
- Hannah Badenach (or her nominee) pursuant to Resolution 8; and
- Hon. Abdullah Mwinyi (or his nominee) pursuant to Resolution 9.

### 2. Category the person falls within

Each of Ms Lu, Mr Bowen, Ms Badenach and the Hon. Abdullah Mwinyi falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director.

### 3. Number and class of securities proposed to be issued

The maximum number of Performance Rights to be issued to the Related Parties is 2,311,404 comprising:

- 600,000 Performance Rights to Ms Shasha Lu (or her nominee) pursuant to Resolution 6;
- 600,000 Performance Rights to Mr Nicholas Bowen (or his nominee) pursuant to Resolution 7;

- 600,000 Performance Rights to Ms Hannah Badenach (or her nominee) pursuant to Resolution 8; and
- 511,404 Performance Rights to the Hon. Abdullah Mwinyi (or his nominee) pursuant to Resolution 9.

4. Current total remuneration packages

The total current remuneration package for each proposed recipient of the Performance Rights the subject of Resolutions 6, 7, 8 and 9 is as follows:

- Ms Shasha Lu's current total remuneration is \$55,500 per annum.
- Mr Nicholas Bowen's current total remuneration is \$55,500 per annum, inclusive of statutory superannuation. He is also contractually entitled to be offered the Performance Rights the subject of Resolution 7, subject to Shareholders approving Resolution 7.
- Ms Hannah Badenach's current total remuneration is \$55,500 per annum. She is also contractually entitled to be offered the Performance Rights the subject of Resolution 8, subject to Shareholders approving Resolution 8.
- Hon. Abdullah Mwinyi's current total remuneration is \$55,500 per annum.

5. The number of securities previously issued

No securities have previously been issued to any of Ms Lu, Mr Bowen, Ms Badenach or Hon. Abdullah Mwinyi under the Plan.

The Hon. Abdullah Mwinyi has been issued 166,666 Performance Rights under the Company's predecessor Performance Rights Plan last approved by shareholders on 21 December 2020 (and post a 1 for 10 securities consolidation on 10 December 2021).

6. Material terms of the securities, an explanation of why that type of security is being used and the value attributed to that security

*Summary of material terms*

A summary of the material terms of the Plan (being the plan pursuant to which the Performance Rights will be issued) is set out in Schedule 1.

The specific vesting conditions attaching to the different classes of Performance Rights are set out in Section 6.1 above.

*Explanation of why Performance Rights are being used*

The purpose of the issue of the Performance Rights is to provide a retention or performance linked incentive component in the remuneration packages for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors, and to provide a cost effective way for the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties.

*Value of the Performance Rights*

The number of Performance Rights to be issued to each of the Related Parties has been determined based upon a consideration of:

- current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- the role and responsibilities of the relevant Related Party;
- the remuneration of the Related Parties; and

- incentives required to attract and ensure continuity of service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

For accounting purposes, the Performance Rights are valued at the Company's Share price at the date the Shareholders approve the issue of the Performance Rights. Assuming Resolutions 6, 7, 8 and 9 are passed at the AGM, each Performance Right the subject of those Resolutions will be valued at the Company's Share price on the date of the AGM (being 30 November 2023). The Company's Share price as at Last Practicable Date was \$0.38.

7. Date of issue

The Performance Rights will be issued to each of Ms Lu, Mr Bowen, Ms Badenach and Hon. Abdullah Mwinyi as soon as practicable following Shareholder approval and in any event no later than 3 years after the date of the Meeting and it is anticipated that all Performance Rights will be issued on the same date.

8. Issue price

The issue price of the Performance Rights will be nil and no amount will be payable by the holder to exercise any Performance Rights that vest. As such, no funds will be raised from the issue or exercise of the Performance Rights.

9. Material terms of the scheme

A summary of the material terms and conditions of the Employee Incentive Plan is set out in Schedule 1 .

10. Loans

No loans are being made to the Related Parties in connection with the acquisition of the Performance Rights.

11. Required statements

Details of any Equity Securities issued under the Employee Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Equity Securities under the Employee Incentive Plan after Resolutions 6, 7, 8 and 9 are approved and who were not named in the Notice or this Explanatory Statement will not participate until approval is obtained under Listing Rule 10.14.

12. Voting exclusion statement

A voting exclusion statement for Resolutions 6, 7, 8 and 9 is included in the Notice.

**6.4 Additional information**

Although the Board has determined that the Company will not seek approval for the proposed issue of the Performance Rights to each of Ms Lu, Mr Bowen, Ms Badenach and Hon. Abdullah Mwinyi pursuant to Chapter 2E of the Corporations Act, the Board provides the following additional information in relation to Resolutions 6, 7, 8 and 9 as a matter of good corporate governance:

- (a) The relevant interests of each of Ms Lu, Mr Bowen, Ms Badenach and Hon. Abdullah Mwinyi in securities of the Company as at the Last Practicable Date are set out below:

Related Party	Shares	Options	Performance Rights
Shasha Lu	Nil	Nil	Nil
Nicholas Bowen	210,000	Nil	Nil
Hannah Badenach	256,000	Nil	Nil
Hon. Abdullah Mwinyi	78,070	Nil	88,596

- (b) If the vesting conditions attaching to the Performance Rights issued to each of Ms Lu, Mr Bowen, Ms Badenach and Hon. Abdullah Mwinyi under Resolutions 6, 7, 8 and 9 are met and the Performance Rights are exercised, a total of 2,311,404 Shares would be issued. This would increase the number of Shares on issue from 264,641,466 (being the total number of Shares on issue as at the Last Practicable Date) to 266,952,870 (assuming that no Shares are issued and no other convertible securities vest or are exercised after the Last Practicable Date) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 0.87%.
- (c) The trading history of the Shares on ASX (based on the closing price of Shares) in the 12 months before the Last Practicable Date is set out below:

	Price	Date
Highest	\$0.67	24 April 2023 and 2 March 2023
Lowest	\$0.345	26 September 2023
Last	\$0.38	20 October 2023

- (d) Ms Shasha Lu has a material personal interest in the outcome of Resolution 6 since she (or her nominee) will receive Performance Rights if Resolution 6 is approved by Shareholders.
- (e) Mr Nicholas Bowen has a material personal interest in the outcome of Resolution 7 since he (or his nominee) will receive Performance Rights if Resolution 7 is approved by Shareholders.
- (f) Ms Hannah Badenach has a material personal interest in the outcome of Resolution 8 since she (or her nominee) will receive Performance Rights if Resolution 8 is approved by Shareholders.
- (g) Hon. Abdullah Mwinyi has a material personal interest in the outcome of Resolution 9 since he (or his nominee) will receive Performance Rights if Resolution 9 is approved by Shareholders.
- (h) The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed.
- (i) The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 6, 7, 8 and 9.

## **6.5 Board recommendation**

Having considered all relevant matters, and the alternatives to an issue of the Performance Rights (such as a higher cash-based component of remuneration), the Directors (other than Ms Lu in relation to Resolution 6, Mr Bowen in relation to Resolution 7, Ms Badenach in relation to Resolution 8 and Hon. Abdullah Mwinyi in relation to Resolution 9), support the issue of the Performance Rights to Ms Lu, Mr Bowen, Ms Badenach and Hon. Abdullah Mwinyi and recommend that Shareholders vote in favour of Resolutions 6, 7, 8 and 9.

Ms Lu makes no recommendation to Shareholders in relation to Resolution 6 because she has an interest in the outcome of that Resolution.

Mr Bowen makes no recommendation to Shareholders in relation to Resolution 7 because he has an interest in the outcome of that Resolution.

Ms Badenach makes no recommendation to Shareholders in relation to Resolution 8 because she has an interest in the outcome of that Resolution.

Hon. Abdullah Mwinyi makes no recommendation to Shareholders in relation to Resolution 9 because he has an interest in the outcome of that Resolution.

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## GLOSSARY

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**\$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Saving time as observed in Sydney, New South Wales.

**Annual General Meeting, AGM or Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

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

**Board** means the board of directors of the Company.

**Chair** means the chair of the Meeting.

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

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependent of the member or the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member in the member's dealings with the Company; or
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company or Peak** means Peak Rare Earths Limited (ACN 112 546 700).

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

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

**Director** means a director of the Company.

**Employee Incentive Plan or Plan** means the Company's employee incentive plan, a summary of the material terms and conditions of which is set out in Schedule 1.

**Equity Security** has the same meaning as the meaning prescribed by Listing Rule 19.12.

**Explanatory Statement** means this explanatory statement, which accompanies the Notice.

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

**Last Practicable Date** means the last practicable date prior to finalising the Notice, being 20 October 2023.

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

**Notice or Notice of Meeting** means the notice convening the Annual General Meeting.

**Performance Rights** a performance right issued or proposed to be issued by the Company (as the context requires).

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

**Remuneration Report** means the remuneration report contained in the Directors' report section of the Company's annual financial report for the year ended 30 June 2023.



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

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

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

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

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## SCHEDULE 1 – SUMMARY OF EMPLOYEE INCENTIVE PLAN

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Set out below is a summary of the key terms of Peak Rare Earths Limited's (**Company**) Employee Incentive Plan (**Plan**) approved by Shareholders at the Company's General Meeting held on 15 June 2023.

<b>Incentives</b>	<p>The Plan provides for the grant of rights or options (<b>Incentives</b>) to acquire fully paid ordinary shares in the capital of the Company (<b>Shares</b>), or cash equivalent, subject to the terms of the Plan and upon such additional terms and vesting conditions as the board of directors of the Company (<b>Board</b>) determines in its absolute discretion.</p> <p>The term "Performance Right" is used to describe an Incentive for which the exercise price is zero.</p>
<b>Eligible Participants</b>	<p>The persons eligible to be granted Incentives under the Plan include:</p> <ul style="list-style-type: none"><li>• current and prospective directors and employees of, and service providers to, the Company or any of its subsidiaries (<b>Group</b>) (<b>Eligible Participants</b>); and</li><li>• certain nominees of an Eligible Participant, such as their immediate family members, controlled bodies corporate and related self-managed superannuation funds (<b>Nominated Parties</b>).</li></ul> <p>The Board has the discretion to declare any other person to be an Eligible Participant or Nominated Party.</p>
<b>Invitations</b>	<p>The Board will advise Eligible Participants, in an invitation, of, amongst other matters, the number of Incentives that the Eligible Participant is eligible for, the method of calculation of any issue price and/or exercise price, the period or periods which Incentives may be exercised, any applicable vesting conditions, the date and times when the Incentives lapse and any other relevant terms and conditions attaching to the Incentives or Shares allocated under the Plan, including any disposal restrictions.</p> <p>In making an invitation, the Board must have regard to any cap imposed on the issue of Incentives under employee share scheme regime set out in Division 1A of Part 7.12 of the <i>Corporations Act 2001</i> (Cth) (<b>Corporations Act</b>).</p>
<b>Vesting and exercise</b>	<p>Subject to the terms of the Plan, an Incentive will not vest and become capable of being exercised unless any vesting conditions have been satisfied.</p> <p>The decision of the Board as to the satisfaction, interpretation, effect or waiver of any vesting conditions may be made in its absolute discretion.</p> <p>Following the exercise of an Incentive, the Company must issue to, or procure the transfer to, the holder of the Incentive the number of Shares in respect of which the Incentive has been exercised. However, the Company may (in its absolute discretion) pay a cash amount in place of issuing or transferring some or all of the relevant Shares. The cash amount will be equivalent to the</p>

	then market value of such Shares (determined based on the 5-day volume weighted average price of Shares).
<b>Cashless exercise facility</b>	<p>Subject to Board approval (which may be withheld at its absolute discretion), the holder of an Incentive may elect to pay the exercise price for some or all of their vested Incentives by setting off the exercise price against the market value of the Shares which they are entitled to receive upon exercise (<b>Cashless Exercise Facility</b>). By using the Cashless Exercise Facility, the holder will receive Shares (or the cash equivalent) to the value of the surplus after the exercise price has been set off.</p> <p>If the holder of an Incentive elects to use the Cashless Exercise Facility, the holder will be issued or transferred such number of Shares as is equal to the value of the difference between the exercise price otherwise payable in respect of the Incentives and the then market value of Shares, divided by the market value of a Share (with the market value being determined based on the 5-day volume weighted average price of Shares). If the Board determines to make a cash payment instead of issuing or transferring Shares, the cash amount will be determined by multiplying the number of Shares the holder is entitled to (using the aforementioned formula) with the market value of those Shares.</p>
<b>Lapse</b>	<p>Unless the Board determines otherwise, an unexercised Incentive will lapse in certain circumstances, including:</p> <ul style="list-style-type: none"> <li>• where the Incentive holder purports to transfer, assign, dispose of or encumber the Incentive without the prior consent of the Board or where required by force of law upon death or bankruptcy;</li> <li>• where the Eligible Participant or their Nominated Party enters into any arrangement under which the economic benefit to be derived from an Incentive that remains unvested or unexercised is altered, irrespective of future changes in the Share price;</li> <li>• in connection with the cessation of employment or engagement of the Relevant Person (see further details below);</li> <li>• in connection with a Change of Control Event (see further details below);</li> <li>• subject to any vesting of unvested Incentives in accordance with the Plan, a failure to meet the Incentive's vesting condition in the prescribed period;</li> <li>• on the expiry date of the Incentive; or</li> <li>• on the 5 year anniversary of the date on which the Incentive was granted.</li> </ul>
<b>Cessation of employment or engagement</b>	<p><b>Cessation of employment or engagement</b></p> <p>Subject to the terms of the relevant invitation and the Plan:</p> <ul style="list-style-type: none"> <li>• if the Eligible Participant who was invited to apply for the relevant Incentive (<b>Relevant Person</b>) ceases to be an employee of, or engaged by, the Group in circumstances where the cessation is due to Termination for Cause then, unless the Board determines otherwise, all of their vested (but</li> </ul>


	<p>unexercised) Incentives, and all of their unvested Incentives, will automatically lapse; and</p> <ul style="list-style-type: none"> <li>• if a Relevant Person ceases to be an employee of, or engaged by, the Group in circumstances other than due to Termination for Cause then, unless the Board determines otherwise: <ul style="list-style-type: none"> <li>• all of their unvested Incentives will automatically lapse; and</li> <li>• all of their Incentives that have previously vested but that are unexercised (and any unvested Incentives the Board has permitted the person to retain) must be exercised within a period stipulated by the Board.</li> </ul> </li> </ul> <p><b>Termination for Cause</b> means termination of employment or engagement of the Relevant Person due to, amongst other matters, fraud or dishonesty, a material breach of the Relevant Person's obligations to the Group, any act of gross negligence in the performance of duties or any other reason (including under applicable law or the Relevant Person's employment contract, consulting agreement or other form of engagement) that the Board determines constitutes justification for termination without notice or compensation.</p> <p><b>Treatment of Incentives after cessation of employment or engagement</b></p> <p>If a person continues to hold Incentives after they or their Relevant Persons ceases to be employed or engaged by the Group, then the Board may in its discretion determine that some or all of those Incentives will lapse if the Board determines that the person has breached any obligation owed to the Group or the circumstances have changed such that it is no longer appropriate for the person to retain the Incentives.</p>
<b>Clawback</b>	<p>The Board may, amongst taking other action such as requiring any benefits obtained under the Plan to be returned, deem any unvested or vested (but unexercised) Incentives to have lapsed if a Relevant Person takes certain adverse action, including committing a fraudulent or dishonest act or engaging in behaviour which has caused, or is likely to cause, the Company's reputation to be adversely affected.</p>
<b>Change of Control Event</b>	<p>If an event occurs that the Board reasonably believes may lead to a Change of Control Event, the Board may determine the treatment and the timing of such treatment of any unvested or unexercised Incentives. If a Change of Control Event occurs and the Board hasn't made such a determination, all of the unvested Incentives automatically vest and are deemed to have been exercised, together with any previously vested but unexercised Incentives, on the occurrence of the Change of Control Event.</p> <p>A <b>Change of Control Event</b> includes:</p> <ul style="list-style-type: none"> <li>• a takeover bid that is or becomes free of any defeating conditions where an offeror who previously had voting power of less than 50% in the Company obtains voting power of more than 50%;</li> <li>• shareholders of the Company approving a proposed compromise or arrangement for the reconstruction of the Company or its amalgamation with any other company or</li> </ul>

	<p>companies at a meeting convened by the Court pursuant to section 411(4)(a) of the Corporations Act;</p> <ul style="list-style-type: none"> <li>• any person becoming bound or entitled to acquire shares in the Company under section 414 (compulsory acquisition following a scheme or contract) or Chapter 6A (compulsory acquisition of securities) of the Corporations Act;</li> <li>• a selective capital reduction being announced in respect of the Company which results in a person who previously had voting power of less than 50% in the Company obtaining voting power of more than 50%; or</li> <li>• in any other case, a person obtaining voting power in the Company which the Board determines is sufficient to control the composition of the Board.</li> </ul>
<b>Disposal of main undertaking</b>	The Board may, in its absolute discretion, permit the vesting and exercise of Incentives (irrespective of whether vesting conditions have been met) where Peak shareholders pass a resolution in accordance with Listing Rule 11.2 to dispose of Peak's main undertaking.
<b>Disposal restrictions</b>	<p>An Incentive is not transferable except where permitted with the prior written consent of the Board or where required by force of law upon death or bankruptcy.</p> <p>The Board may impose restrictions on disposal or dealing in a Share to be allocated upon the exercise of an Incentive as part of the terms of the Incentives and may implement any procedure it considers appropriate to restrict the holder of an Incentive from trading in such Shares while they remain subject to a disposal restriction.</p> <p>The Board may decide to lift, extend or vary any disposal restrictions in its absolute discretion (including where the Relevant Person has ceased employment or engagement with the Group or there has been a Change of Control Event).</p>
<b>Bonus issues</b>	If Shares are issued pro rata to the Company's shareholders by way of bonus issue, the number of Shares over which the Incentives are exercisable will be increased by the number of Shares that the Incentive holder would have received if it had exercised the Incentives before the record date for the bonus issue. No adjustment will be made to the exercise price.
<b>Pro rata issues</b>	If Shares are offered pro rata for subscription by the Company's shareholders (except a bonus issue) during the currency of and prior to exercise of any Incentives, the exercise price of each Incentive will be adjusted in a manner determined by the Board and in accordance with the ASX Listing Rules.
<b>Adjustment for reorganisation</b>	If there is a reorganisation of the issued capital of the Company then the rights of an Incentive holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
<b>New issues</b>	Subject to the foregoing, during the currency of any Incentives and prior to their exercise, Incentive holders are not entitled to

	participate in any new issue of securities of the Company as a result of their holding Incentives.
<b>Ranking of Shares</b>	Any Shares allotted under the Plan will rank equally with Shares of the same class on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their allotment.
<b>Quotation</b>	<p>If Shares of the same class as those allotted under the Plan are quoted on the Australian Securities Exchange (<b>ASX</b>) at the time of allotment, the Company will apply to the ASX for those Shares to be quoted.</p> <p>The Company will not apply for quotation of any Incentives on the ASX, unless the Board determines otherwise.</p>
<b>Amendment</b>	<p>Subject to the ASX Listing Rules, the Board may amend, revoke, vary or add to all or any of the provisions of the Plan, or the terms or conditions of any Incentive granted under the Plan, including vesting conditions.</p> <p>However, without the consent of the Incentive holder, no amendment may be made to the terms of any granted Incentive which reduces the rights of the holder in respect of that Incentive, other than in certain circumstances, including an amendment for the purposes of complying with law or the ASX Listing Rules.</p> <p>Subject to the foregoing, any amendment may be given retrospective effect.</p>
<b>Board discretion</b>	<p>The Plan is administered by the Board which has power to, amongst other matters, determine appropriate procedures for administration of the Plan consistent with the Plan rules.</p> <p>Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan or any Incentives under the Plan and in the exercise of any power or discretion under the Plan.</p> <p>The Board may at any time waive in whole or in part any terms or conditions (including any vesting condition) in relation to any Incentives granted under the Plan.</p>

## LODGE YOUR VOTE


**ONLINE**  
 <https://investorcentre.linkgroup.com>

**BY MAIL**  
 Peak Rare Earths Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

**BY FAX**  
 +61 2 9287 0309

**BY HAND\***  
 Link Market Services Limited  
 Level 12, 680 George Street, Sydney NSW 2000

\*During business hours Monday to Friday

**ALL ENQUIRIES TO**  
 Telephone: 1300 554 474 Overseas: +61 1300 554 474

## LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (AEDT) on Tuesday, 28 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

**ONLINE**  
 <https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

**BY MOBILE DEVICE**  
 Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman 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 KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
 THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**



NAME SURNAME  
ADDRESS LINE 1  
ADDRESS LINE 2  
ADDRESS LINE 3  
ADDRESS LINE 4  
ADDRESS LINE 5  
ADDRESS LINE 6



X99999999999

## PROXY FORM

I/We being a member(s) of Peak Rare Earths Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEDT) on Thursday, 30 November 2023 at Banjo Paterson Room, Sydney Harbour Marriott Hotel, 30 Pitt Street, Sydney, New South Wales, Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 1, 6, 7, 8 & 9:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6, 7, 8 & 9, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Issue of Performance Rights to Director – Hon. Abdullah Mwinyi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Dr Russell Scrimshaw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Election of Director – Mr Ian Chambers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Election of Director – Mr Nicholas Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Election of Director – Ms Hannah Badenach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of Performance Rights to Director – Ms Shasha Lu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Issue of Performance Rights to Director – Mr Nicholas Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Issue of Performance Rights to Director – Ms Hannah Badenach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

STEP 2

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

PEK PRX2302D

