
BLACKSTONE MINERALS LIMITED

ACN 614 534 226

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00am (WST)

DATE: 29 November 2023

PLACE: The meeting will be held at
Level 5, 600 Murray Street, West Perth WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 27 November 2023.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

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 Director's report, the Remuneration Report and the auditor's report.

2. 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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HAMISH HALLIDAY

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

"That, for the purpose of article 6.3 of the Constitution, Listing Rule 14.5 and for all other purposes, Hamish Halliday, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ISSUE OF ZERO EXERCISE PRICE OPTIONS TO DIRECTOR – SCOTT WILLIAMSON

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,297,856 Zero Exercise Price Options to Scott Williamson (or his nominee) on the terms set out in the Explanatory Statement."

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

5. RESOLUTION 4 – INCREASE IN AGGREGATE NON-EXECUTIVE DIRECTOR FEE POOL

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

"That, for the purposes of article 6.5(a) of the Constitution, Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the total aggregate amount of fees payable to non-executive Directors from

\$500,000 per annum to \$600,000 per annum on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 5 – APPROVAL OF EMPLOYEE SECURITIES INCENTIVE PLAN

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

"That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Securities Incentive Plan and for the issue of a maximum of 23,000,000 securities under that Plan, on the terms and conditions set out in the Explanatory Statement."

7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Dated: 27 October 2023

By order of the Board

Jamie Byrde
Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (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 a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 3 – Issue of Zero Exercise Price Options to Director – Scott Williamson	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 4 – Increase in Aggregate Non-Executive Director Fee Pool	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 5 – Approval of Employee Securities Incentive Plan	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

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

Resolution 3 – Issue of Zero Exercise Price Options to Director – Scott Williamson	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Scott Williamson) or an associate of that person or those persons.
Resolution 4 – Increase in Aggregate Non-Executive Director Fee Pool	A Director or an associate of that person or those persons.
Resolution 5 - Approval of Employee Securities Incentive Plan	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 the Resolution by:

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9425 5217.

EXPLANATORY STATEMENT

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

1. 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, the Remuneration 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.blackstoneminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 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.

2.2 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.

2.3 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 Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HAMISH HALLIDAY

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Article 6.3 of the Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Hamish Halliday, who has served as a Director since 30 August 2016 and was last re-elected on 29 November 2021, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Halliday is a Geologist with a Bachelor of Science from the University of Canterbury and has over 25 years of corporate and technical experience in the mining industry. Mr Halliday co-founded the Company and was instrumental in the acquisition of its current tenement portfolio. Mr Halliday has been involved in the discovery and acquisition of numerous projects over a range of commodities throughout four continents. Mr Halliday has founded and held executive and non-executive directorships with a number of successful listed exploration companies including Adamus Resources Ltd. He was CEO of Adamus from its inception through to successful completion of a feasibility study on its gold project in Ghana which is now in production. Mr Halliday is currently the Non-Executive Chair of Comet Resources Limited.

3.3 Independence

If elected, the Board does not consider Mr Halliday will be an independent director.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Hamish Halliday will be re-elected to the Board as Non-Executive Chairman.

In the event that Resolution 2 is not passed, Mr Halliday will not continue in his role as Non-Executive Chairman. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

3.5 Board recommendation

The Board has reviewed Hamish Halliday's performance 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 supports the re-election of Hamish Halliday and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – ISSUE OF ZERO EXERCISE PRICE OPTIONS TO DIRECTOR – SCOTT WILLIAMSON

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 4,297,856 zero exercise price Options to Scott Williamson (or his nominee) pursuant to an incentive plan on the terms and conditions set out below (**Zero Exercise Price Options**).

The Zero Exercise Price Options will vest and become exercisable into Shares upon the satisfaction of the vesting conditions set out in Schedule 1.

4.2 Chapter 2E of the Corporations Act

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

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (a) 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 Zero Exercise Price Options to Scott Williamson (or his nominee) constitutes giving a financial benefit and Scott Williamson is a related party of the Company by virtue of being a Director.

The Directors (other than Scott Williamson) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Zero Exercise Price Options, because the agreement to issue the Zero Exercise Price Options, reached as part of the remuneration package for Scott Williamson, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

4.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

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

The issue of Zero Exercise Price Options to Scott Williamson falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 3 seeks the required Shareholder approval for the issue of the Zero Exercise Price Options under and for the purposes of Listing Rule 10.14.

4.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Zero Exercise Price Options to Scott Williamson under an incentive plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Zero Exercise Price Options (because approval is being obtained under Listing Rule 10.14), the issue of the Zero Exercise Price Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Zero Exercise Price Options to Scott Williamson under an incentive plan and may have to consider alternative forms of remuneration.

4.5 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 Resolution 3:

- (a) the Zero Exercise Price Options will be issued to Scott Williamson (or his nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of Scott Williamson being a Director;
- (b) the maximum number of Zero Exercise Price Options (**ZEPOs**) to be issued is 4,297,856 comprising:
 - (i) 184,194 short term incentive (**STI**) Tranche 1 ZEPOs,
 - (ii) 276,291 STI Tranche 2 ZEPOs;
 - (iii) 460,485 STI Tranche 3 ZEPOs;
 - (iv) 1,227,959 long term incentive (**LTI**) Tranche 4 ZEPOs;
 - (v) 613,980 LTI Tranche 5 ZEPOs;
 - (vi) 613,980 LTI Tranche 6 ZEPOs; and
 - (vii) 920,969 retention ZEPOs;
- (c) the current total fixed remuneration package for Scott Williamson is \$390,000 comprising of directors' fees of \$326,500, a superannuation payment of \$27,477 and share-based payments of \$126,151. If the Zero Exercise Price Options are issued, the total remuneration package of Scott Williamson will increase by \$462,478 to \$852,478 being the value of the Zero Exercise Price Options (based on the Black Scholes methodology);
- (d) 21,347,594 equity securities have previously been issued under the Company's existing incentive plan to employees. Mr Williamson previously received 3,351,754 equity securities under the Company's existing incentive plan for nil consideration. As this is the first time that Shareholder approval is being sought for the adoption of the new

Employee Securities Incentive Plan (under Resolution 5), no equity securities have been previously issued under that Plan;

- (e) a summary of the material terms and conditions of the Zero Exercise Price Options is set out in Schedule 1;
- (f) the primary purpose of the issue of the Zero Exercise Price Options to Mr Williamson is to provide a performance linked incentive component in the remuneration package for Mr Williamson to motivate and reward his performance as Managing Director of the Company. All Zero Exercise Price Options are subject to certain milestones which must be satisfied before they vest and can be exercised into Shares;
- (g) the Zero Exercise Price Options are unquoted Options. The Company has chosen to issue Zero Exercise Price Options to Scott Williamson for the following reasons:
 - (i) the Zero Exercise Price Options are unquoted, therefore, the issue of the Zero Exercise Price Options has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Zero Exercise Price Options to Scott Williamson will align his interests with those of Shareholders;
 - (iii) the issue of the Zero Exercise Price Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Williamson; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Zero Exercise Price Options on the terms proposed;
- (h) the total value of the Zero Exercise Price Options is \$462,478 and the pricing methodology is set out in Schedule 3;
- (i) the Zero Exercise Price Options will be issued to Scott Williamson (or his nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Zero Exercise Price Options will be issued on one date;
- (j) the issue price of the Zero Exercise Price Options will be nil, as such no funds will be raised from the issue of the Zero Exercise Price Options;
- (k) a summary of the material terms and conditions of the Company's existing incentive plan is set out in Schedule 2 of the Company's notice of annual general meeting for 2022 and a summary of the material terms and conditions of the new Employee Securities Incentive Plan (the subject of Resolution 5) is set out in Schedule 2;
- (l) no loan is being made to Scott Williamson in connection with the acquisition of the Zero Exercise Price Options;
- (m) details of any Options issued under the Company's existing incentive plan and the new Employee Securities Incentive Plan will be published in the

annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and

- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Company's existing incentive plan or the new Employee Securities Incentive Plan after Resolution 3 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

5. RESOLUTION 4 – INCREASE IN AGGREGATE NON-EXECUTIVE DIRECTOR FEE POOL

5.1 General

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Directors' fees include all fees payable by the entity or any of its child entities to a non-executive director for acting as a director of the entity or any of its child entities (including attending and participating in any board committee meetings), superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with an entity's constitution, or securities issued to a non-executive director under Listing Rules 10.11 or 10.14 with the approval of the holders of its ordinary securities.

Article 6.5 of the Constitution provides that the Company may pay to the non-executive Directors a maximum total amount of director fees, determined by the Company in a general meeting.

The maximum aggregate amount of fees payable to the non-executive Directors is currently set at \$500,000.

Resolution 4 seeks Shareholder approval for the purposes of article 6.5 of the Constitution and Listing Rule 10.17 to increase the total aggregate amount of fees payable to non-executive Directors to \$600,000.

The maximum aggregate amount of fees proposed to be paid to non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

5.2 Technical information required by Listing Rule 10.17

If Resolution 4 is passed, the maximum aggregate amount of fees payable to the non-executive Directors will increase by \$100,000 to \$600,000. Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the increase to maximum aggregate amount of fees payable may enable the Company to:

- (a) fairly remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerate its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and

- (c) have the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

The Board is not currently proposing to increase individual Board fees, but instead ensure it has sufficient aggregate remuneration to attract talent, to ensure the composition of the Board continues to enhance and promote diversity and to ensure the Board is structured with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfill the business objectives of the Company.

If Resolution 4 is not passed, the maximum aggregate amount of fees payable to non-executive Directors will remain at \$500,000. This may inhibit the ability of the Company to remunerate, attract and retain appropriately skilled non-executive directors.

In the past three years, the Company has not issued any equity securities to non-executive Directors pursuant to Listing Rules 10.11 and 10.14 other than 212,465 Service Rights to Alison Gaines.

5.3 Board Recommendation

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

6. RESOLUTION 5 – APPROVAL OF EMPLOYEE SECURITIES INCENTIVE PLAN

6.1 General

Resolution 5 seeks Shareholder approval for the adoption of the employee incentive scheme titled "Employee Securities Incentive Plan" (**Plan**) and for the issue of up to a maximum of 23,000,000 securities, excluding issues approved by Shareholders under Listing Rule 10.14 or Listing rule 10.11, under the Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Plan and the future issue of securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

6.2 Listing Rule 7.1 and Listing Rule 7.2 Exception 13(b)

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

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2

(Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 5 is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years from the date of the Meeting. The issue of any securities to eligible participants under the Plan (up to the maximum number of securities stated in Section 6.3(d) below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 5 is not passed, the Company will be able to proceed with the issue of securities under the Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of those securities.

6.3 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 5:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 2;
- (b) the Company has issued zero Performance Rights and 24,699,348 Options under its existing incentive plan and no securities under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan. The Company has also issued 7,300,000 Options under an employee incentive scheme titled 'Employee Incentive Option Plan' which was adopted on 29 November 2017;
- (c) the Company is seeking Shareholder approval to adopt the Plan to include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme); and
- (d) the maximum number of securities proposed to be issued under the Plan, following Shareholder approval, is 23,000,000 securities. It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.

7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

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.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$52,105,780 (based on the number of Shares on issue and the closing price of Shares on the ASX on 24 October 2023).

Resolution 5 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

7.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

- (i) continued exploration, development expenditure on the Ta Khoa Nickel Copper PGE Project, Vietnam. Funds would then be used for project, feasibility studies, drilling programs and ongoing project administration;
- (ii) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- (iii) the development of the Company's current business; and
- (iv) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 24 October 2023.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.055	\$0.11	\$0.22
			50% decrease	Issue Price	100% increase
			Funds Raised		
Current	473,688,908 Shares	47,368,891 Shares	\$2,605,288	\$5,210,577	\$10,421,155
50% increase	710,533,362 Shares	71,053,336 Shares	\$3,907,933	\$7,815,866	\$15,631,733
100% increase	947,377,816	94,737,782 Shares	\$5,210,577	\$10,421,155	\$20,842,311

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 473,688,908 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing market price of the Shares on the ASX on 24 October 2023 (being \$0.11).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

Not applicable. The 7.1A Mandate was not applicable in the previous 12 months.

7.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 5.1.

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

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate means an associated entity of the Company, where the associated entity is a body corporate (as that term is used in the ESS Regime).

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

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Blackstone Minerals Limited (ACN 614 534 226).

Constitution means the Company's constitution.

Convertible Security means a Security convertible into Share(s), including an Option or Performance Right.

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

Directors means the current directors of the Company.

Eligible Participant means a person that is:

- (a) a 'primary participant' (as that term is defined in the ESS Regime) in relation to the Company or an Associated Body Corporate; and

(b) has been determined by the Board to be eligible to participate in the Plan from time to time.

ESS Regime means Division 1A of Part 7.12 of the Corporations Act which comes into effect on 1 October 2022.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Participant means an Eligible Participant who has been granted any Security under the Plan.

Performance Rights means a right to acquire a Share.

Plan has the meaning provided in Section 6.1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's 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 the Explanatory Statement.

Security means a security in the capital of the Company.

Service Rights means rights which are convertible to Shares subject to the satisfaction of service conditions and the terms and conditions of issue and the Plan.

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

Shareholder means a registered holder of a Share.

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

Zero Exercise Price Option has the meaning given in Section 4.1.

SCHEDULE 1 – TERMS AND CONDITIONS OF ZERO EXERCISE PRICE OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

No consideration is payable upon the exercise of each Zero Exercise Price Option.

(c) **Expiry Date**

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

(d) **Vesting Condition**

The Zero Exercise Price Options will vest and become exercisable into Shares subject to the following vesting conditions:

	Weighting	% of TFR	Number	Vesting Conditions	Measurement Date
STI Tranche 1	20%	6%	184,194	Environment, Social and Governance <ul style="list-style-type: none"> Zero fatalities at the Ta Khoa Project Lost time injury frequency rate < 2 per annum. Zero material reportable environmental, community or landholder incidents. 	30 June 2024
STI Tranche 2	30%	9%	276,291	Partnerships and Funding <ul style="list-style-type: none"> Executed binding agreements to deliver project (or part thereof); and Relevant market announcement of binding partnership. Agreement to fund Ta Khoa Refinery Project (TKR) (Downstream) (or proportional part thereof). Proportional award available	30 June 2024
STI Tranche 3	50%	15%	460,485	Ta Khoa Project <ul style="list-style-type: none"> Completion of a bankable Nickel sourcing framework for 100% supply of the Ta Khoa Refinery verified by an independent third party. Permitting: completion and final submission of a Dossier to the Ministry of Mines and Natural Resource Vietnam. Securing new business opportunities in Vietnam that 	30 June 2024

				are complimentary to the Ta Khoa Project including, but not limited to exploration or development projects or mining related businesses. <i>Proportional award available based upon 1/3 weighting for each vesting condition.</i>	
Total STI	100%	30%	920,970		
LTI Tranche 4	50%	40%	1,227,959	Increase in JORC compliant resources <ul style="list-style-type: none"> If resource <30 % growth on reported resources, then 0% vesting of incentives. If resource >31% and <50% then a 50% proportional vesting of incentives. If resource >50% then 100% vesting of incentives. <i>Proportional award available</i> Achieve a JORC compliant resource includes inferred, measured or indicated Nickel or metal equivalents reported in accordance with clause 50 of JORC code.	30 June 2026
LTI Tranche 5	25%	20%	613,980	Shareholder Return Proportional vesting will occur based on the Absolute Total Shareholder Return ("ATSR") from 1 July 2023 to 30 June 2026 (the "Measurement Period")	30 June 2026
LTI Tranche 6	25%	20%	613,980	Shareholder Return (Market Conditions) Proportional vesting will occur where the Relative Total Shareholder Return ("RTSR") exceeds the median TSR over the Measurement Period from 1 July 2023 and 30 June 2026 of the selected peer group (refer to Annexure 1)	30 June 2026
Total LTI	100%	80%	2,455,919		
Retention	100%	30%	920,969	18 months retention from the date of issue	31 December 2024

The proportion of the Tranche 5 and Tranche 6 (together, the **Market Condition ZEPOs**) vest based on the ATSR and RTSR over the Measurement Period as follows:

ATSR	RTSR	Percentage that vests
<30%	<50 th percentile	0%
Between 30% and 100%	Between 50 th and 75 th percentile	Pro rata allocation between 0% and 100%

ATSR	RTSR	Percentage that vests
>100%	>75 th percentile	100%

(e) **Exercise Period**

The Zero Exercise Price Options are exercisable into Shares at any time after vesting on or prior to the Expiry Date (**Exercise Period**) after which the Zero Exercise Price Options will lapse. Subject to compliance with applicable laws and regulations and the ASX Listing Rules, the Board has discretion at any time to declare any Zero Exercise Price Options which have not vested as having vested in the event the holder fails to satisfy the Vesting Condition for the Zero Exercise Price Options.

(f) **Cessation of Employment**

Should the holder cease employment or engagement by the Company:

- (i) any unexercised Zero Exercise Price Options that have vested as at the date of cessation of employment or engagement with the Company (**Cessation Date**) shall lapse if the holder does not exercise the Zero Exercise Price Option within a period of 1 month after the Cessation Date; and
- (ii) subject to the Board discretion reserved at paragraph (e), any unexercised Zero Exercise Price Options that have not vested as at the Cessation Date shall immediately lapse upon the Cessation Date.

(g) **Automatic Vesting**

Subject to the Company complying with the ASX Listing Rules and the Corporations Act, each Zero Exercise Price Option will automatically vest and become exercisable into Shares in the event of:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) a person acquiring voting power (as defined in section 610 of the Corporations Act) in over 50% of the Company's Shares, in circumstances where such person's voting power was lower than the 50% threshold prior to the date on which the Zero Exercise Price Options were issued; or
- (iv) the Company enters into agreements to sell businesses or assets which are owned by the Company at the date of issue of the Zero Exercise Price Options (whether or not in the form of shares in a subsidiary company) the consideration for which businesses or assets represents more than 50% of the value of all of the businesses and assets owned by the Company at the date of issue of the Zero Exercise Price Options (with reference to the Company's most recent audited financial statements) to a person, or a number of persons, none of which are in the Company's group; and

such a determination shall be notified to the holder in writing.

(h) **Notice of Exercise**

The Zero Exercise Price Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Zero Exercise Price Option certificate (**Notice of Exercise**).

(i) **Exercise Date**

A Notice of Exercise is only effective on and from the date of receipt of the Notice of Exercise (**Exercise Date**).

(j) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

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

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

(k) **Shares issued on exercise**

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

(l) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(m) **Participation in new issues**

There are no participation rights or entitlements inherent in the Zero Exercise Price Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Zero Exercise Price Options without exercising the Zero Exercise Price Options.

(n) **Change in exercise price**

A Zero Exercise Price Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Zero Exercise Price Option can be exercised.

(o) **Transferability**

The Zero Exercise Price Options are not transferable.

(p)

Tax Deferral

For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral, applies (subject to the conditions in that Act) to the Zero Exercise Performance Options

SCHEDULE 2 – TERMS AND CONDITIONS OF THE PLAN

A summary of the materials terms of the Plan is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> (c) assist in the reward, retention and motivation of Eligible Participants; (d) link the reward of Eligible Participants to Shareholder value creation; and (e) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Shares, Options, Performance Rights or other Convertible Security (Securities).
Maximum number of Convertible Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b) – refer to Resolution 5 and Sections 6.1 and 6.3(d) of the Explanatory Statement).
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p>

		If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
Grant of Securities		The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities		<p>A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right).</p> <p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment for bonus issue section below).
Restrictions on dealing with Convertible Securities		<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p>
Vesting Convertible Securities	of	Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that security will lapse.
Forfeiture Convertible Securities	of	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group and the Board exercises its discretion to deem some or all of the Convertible Securities held by a Participant to have been forfeited;

	<p>(b) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</p> <p>(c) on the date the Participant becomes insolvent; or</p> <p>(d) on the Expiry Date,</p> <p>subject to the discretion of the Board.</p>
Listing of Convertible Securities	Convertible Securities granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of Convertible Securities granted under the Plan on the ASX or any other recognised exchange.
Exercise of Convertible Securities and cashless exercise	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation to apply for Convertible Securities may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>Convertible Securities may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
Timing of issue of Shares and quotation of Shares on exercise	Within five business days after the issue of a valid notice of exercise by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
Restriction periods and restrictions on transfer of Shares on exercise	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p>

	<p>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act;</p> <p>(b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and</p> <p>(c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.</p>
Rights attaching to Shares on exercise	All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.
Change of control	If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), or the Board determines that such an event is likely to occur, any vested but unexercised or any unvested Convertible Securities must be exercised within 30 days of the change of control event. Any unexercised Convertible Securities will lapse. The Board may specify in the Invitation how the Convertible Securities will be treated on a change of control event occurring, or the Board determining that such event is likely to occur, which may vary depending upon circumstances in which the Participant becomes a leaver and preserve some or all of the Board's discretion under this rule.
Participation entitlements in bonus issues	Subject always to the rights under the following two paragraphs, Participants will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
Adjustment for bonus issue	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the Participant is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.
Reorganisation	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.

Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

SCHEDULE 3 – VALUATION OF ZERO PRICE EXERCISE OPTIONS

	STI Tranche 1	STI Tranche 2	STI Tranche 3	LTI Tranche 4	LTI Tranche 5	LTI Tranche 6	Retention
Vesting condition	Non-market	Non-market	Non-market	Non-market	ATSR	RTSR	Non-market
Methodology	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Monte Carlo	Monte Carlo	Black Scholes
Iterations	n/a	n/a	n/a	n/a	100,000	100,000	n/a
Assumed grant date	18 October 2023	18 October 2023	18 October 2023	18 October 2023	18 October 2023	18 October 2023	18 October 2023
Measurement date	30 June 2024	30 June 2024	30 June 2024	30 June 2026	30 June 2026	30 June 2026	31 May 2025
Assumed expiry date	18 October 2028	18 October 2028	18 October 2028	18 October 2028	18 October 2028	18 October 2028	18 October 2028
Share price at assumed grant date (\$)	0.115	0.115	0.115	0.115	0.115	0.115	0.115
Exercise price (\$)	nil	nil	nil	nil	nil	nil	nil
Risk-free rate (%)	4.191	4.191	4.191	4.191	4.191	4.191	4.191
Volatility (%)	80	80	80	80	80	80	80
Fair value per security (\$)	0.115	0.115	0.115	0.115	0.073	0.105	0.115
Number	184,194	276,291	460,485	1,227,959	613,980	613,980	920,969
Total undiscounted value (\$)	21,182	31,773	52,956	141,215	44,953	64,488	105,911

Note: The above values are undiscounted, i.e., the non-market vesting conditions are not considered in calculating the fair value.

ANNEXURE 1 – PEER GROUP COMPANY VOLATILITIES

Company	Volatility
Ardea Resources Limited	78.39%
Duketon Mining Limited	66.60%
Aston Resources Limited	91.86%
Cobalt Blue Holdings Limited	77.63%
Sunrise Energy Metals Limited	70.28%
Legend Mining Limited	75.51%
Galileo Mining Limited	100.81%
Widgie Nickel Limited	87.28%
Poseidon Nickel Limited	63.85%
Panoramic Resources Limited	62.46%
Centaurus Metal Limited	73.52%
Queensland Pacific Metals Limited	71.93%
Alliance Nickel Limited	73.67%
Lunnon Metals Limited	70.89%

Your proxy voting instruction must be received by **10.00am (AWST) on Monday, 27 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 Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held 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 Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/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 Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

