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**GREENSTONE RESOURCES LIMITED**

**ACN 093 396 859**

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**NOTICE OF ANNUAL GENERAL MEETING**

**The annual general meeting of the Company will be held at Level 2, 16 Ord Street, West Perth WA on Thursday, 30 November 2023 at 2.00pm (AWST).**

*Shareholders may vote by directed proxy rather than attend the Meeting in person. Proxy forms for the meeting should be lodged before 2.00pm (AWST) on Tuesday, 28 November 2023.*

*Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing the questions to [admin@greenstoneresources.com.au](mailto:admin@greenstoneresources.com.au) by no later than 2.00pm (AWST) on Tuesday, 28 November 2023.*

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

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

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (08) 9322 7600***

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

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# GREENSTONE RESOURCES LIMITED

## ACN 093 396 859

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Greenstone Resources Limited (**Company**) will be held at Level 2, 16 Ord Street, West Perth WA on Thursday, 30 November 2023 at 2.00pm (AWST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 28 November 2023 at 4.00pm (AWST).

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

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

### AGENDA

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#### Annual Report

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

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

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#### 1 Resolution 1 – Remuneration Report

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

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

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

#### Voting Prohibition

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or

- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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

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## 2 Resolution 2 – Election of James Croser as a Director

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

*'That, pursuant to and in accordance with Listing Rule 14.4, article 11.13 of the Constitution and for all other purposes, James Croser, Director, appointed 28 November 2022, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

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## 3 Resolution 3 – Adoption of Equity Incentive Plan

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

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

### **Voting Exclusion**

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

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

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

### **Voting Prohibition**

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

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

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

## **4 Resolution 4 – Ratification of Tranche 1 Placement Shares issued under Listing Rule 7.1A**

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 121,892,423 Shares issued under Listing Rule 7.1A (at an issue price of \$0.013 per Share) pursuant to the Tranche 1 Placement, on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of persons who participated in the issue of Shares pursuant to the Tranche 1 Placement or associates of any of those persons.

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

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

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## **5 Resolution 5 – Approval of 10% Placement Facility**

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the*

*Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of Equity Securities under Listing Rule 7.1A (except a benefit solely in the capacity of a holder of ordinary securities in the entity) or an associate of that person or those persons.

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

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

**Note:** As at the date of this Notice, it is not known who may participate in any Equity Securities issued under Resolution 5 and the Company has not approached any Shareholder or identified a class of existing Shareholders to participate in any issue of Equity Securities under the 10% Placement Facility. Accordingly, no Shareholders are excluded from voting on Resolution 5.

Dated: 30 October 2023

### **On behalf of the Board**

Tom O'Rourke  
Company Secretary

## **EXPLANATORY MEMORANDUM**

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### **1 Introduction**

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

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

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

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Background
Section 5	Resolution 1 – Remuneration Report
Section 6	Resolution 2 – Election of James Croser as a Director
Section 7	Resolution 3 – Adoption of Employee Incentive Plan
Section 8	Resolution 4 – Ratification of Tranche 1 Placement Shares issued under Listing Rule 7.1A
Section 9	Resolution 5 – Approval of 10% Placement Facility
Schedule 1	Definitions
Schedule 2	Summary of Equity Incentive Plan

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

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### **2 Action to be taken by Shareholders**

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

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

#### **2.1 Proxies**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the

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

Please note that:

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

Proxy Forms must be received by the Company no later than 2.00pm (AWST) on Tuesday, 28 November 2023, being at least 48 hours before the Meeting.

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

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

A vote on Resolutions 1 and 3 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolutions 1 and 3, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on Resolutions 1 and 3; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on Resolutions 1 and 3, but expressly authorises the Chairperson to exercise the proxy even if Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## 2.3 **Attendance at Meeting**

Shareholders may vote by directed proxy rather than attend the Meeting in person.

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

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# 3 **Annual Report**

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

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

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

In addition to taking questions at the Meeting, written questions to the Chairperson about the

management of the Company, or to the Company's auditor about:

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

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

## 4 Background

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### 4.1 Placement

On 24 July 2023, the Company announced that it had received firm commitments for a placement of new Shares to raise approximately \$1.7 million (before costs) at an issue price of \$0.013 per Share to be issued by the Company together with one free attaching Option for every two Shares issued under the placement, exercisable at \$0.025 per Option and expiring two years from the date of issue (**Placement**). The Placement comprises:

- (a) 121,892,423 Shares issued to professional and sophisticated investors using the Company's existing Listing Rule 7.1A placement capacity (**Tranche 1 Placement Shares**) and the issue of 60,946,207 Options (**Tranche 1 Placement**); and
- (b) a further 9,615,383 Shares and 4,807,691 Options issued to certain Directors (and/or their respective nominee(s)).

The Tranche 1 Placement Shares were issued on Monday, 31 July 2023.

The investors who participated in the Tranche 1 Placement comprise institutional, sophisticated and professional investors identified by the brokers for the Placement. Those brokers were Argonaut Securities Pty Ltd, Forrest Capital Pty Ltd, Shaw and Partners Ltd, Whistler Wealth Management Pty Ltd, Euroz Hartleys Limited, Canaccord Genuity Financial Limited and Plutus Capital Advisory Pty Ltd.

Resolution 4 seeks the Shareholders' ratification of the issue of the Tranche 1 Placement Shares pursuant to the Placement.

### 4.2 Indicative Use of Funds

The Placement is being undertaken to fund:

- (a) continuation of the phase-2 drill campaign at the Burbanks Gold Project;
- (b) completion of the scoping study for the Mt Thirsty Ni-Co-Mn-Sc Project (Greenstone 50%: Conico Limited 50%); and
- (c) general working capital and corporate costs requirements.

The proposed uses of funds are indicative only and will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities and other factors relevant to the Board's discretion as to usage of funding.

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## 5 Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the



Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

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

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

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

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

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

Resolution 1 is an ordinary resolution.

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

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## **6 Resolution 2 – Election of James Croser as a Director**

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

Article 11.13 of the Constitution provides the Company must confirm the appointment of a director appointed under Article 11.13 at the Company's next annual general meeting and if the appointment is not confirmed, the person ceases to be a director at the conclusion of the annual general meeting.

On 28 November 2022, the Company announced the appointment of Mr James Croser as a non-executive Director with effect from 28 November 2022. Mr Croser was appointed by the Board as a non-executive Director under Article 11.13 of the Constitution.

Resolution 2 provides that Mr Croser retires from office and seeks election as a Director.

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

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

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

Resolution 2 is an ordinary resolution.

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

The Directors (excluding Mr Croser) support the election of Mr Croser and recommend that Shareholders vote in favour of Resolution 2.

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## 7 Resolution 3 – Adoption of Equity Incentive Plan

### 7.1 General

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

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

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.2, exception 13(b), to adopt the Plan, and to enable Options and Performance Rights and Shares upon exercise or conversion of those Performance Rights or Options (together, **Employee Incentives**) to be issued under the Plan to Eligible Participants to be exempted from Listing Rule 7.1 for a period of three years from the date on which Resolution 3 is passed.

A summary of the Plan, to be adopted pursuant to Resolution 3, is detailed in Schedule 2.

No Directors will receive securities pursuant to Resolution 3. For the avoidance of doubt, the Company must seek separate Shareholder approval under Listing Rule 10.14 in respect of any future issues of Employee Incentives under the Plan to a Director or any other related party or person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

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

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

If Resolution 3 is passed, the Company will be able to issue Employee Incentives to Eligible Participants under the Plan without using up any of the Company's 15% Placement Capacity. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

If Resolution 3 is not passed, the Company may still issue Employee Incentives to Eligible Participants under the Plan but any issue will reduce, to that extent, the Company's 15% Placement Capacity for 12 months following the issue. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

Resolution 3 is an ordinary resolution.

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

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

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

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

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

The following information in relation to Resolution 3 is provided to Shareholders for the purposes of Listing Rule 7.2 (exception 13):

- (a) The material terms of the Plan are summarised in Schedule 2.
- (b) This is the first approval sought under Listing Rule 7.2, exception 13(b) with respect to the Plan.
- (c) The Company has not issued any securities under the Plan as this is the first time that Shareholder approval is being sought for the Plan.
- (d) The maximum number of Employee Incentives proposed to be issued under the Plan following Shareholder approval is 136,541,633 securities, being no more than 10% of the total number of Shares on issue at the date of the Notice.
- (e) A voting exclusion statement is included in the Notice for Resolution 3.

## 7.4 **Director Recommendation**

The Directors are excluded from voting on Resolution 3 pursuant to the Listing Rules as they are eligible to participate under the Plan. Accordingly, the Directors decline to make a recommendation to Shareholders on Resolution 3.

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# 8 **Resolution 4 – Ratification of Tranche 1 Placement Shares issued under Listing Rule 7.1A**

## 8.1 **Background**

As detailed in Section 4.1, the Company issued 121,892,423 Shares at an issue price of \$0.013 per Share under the Tranche 1 Placement (**Tranche 1 Placement Shares**). Refer to Section 4.1 for further details of the Placement.

All 121,892,423 Tranche 1 Placement Shares were issued on Monday, 31 July 2023 without Shareholder approval pursuant to the Company's placement capacity under Listing Rule 7.1A.

Resolution 4 seeks Shareholder ratification and approval pursuant to Listing Rule 7.4 (and for all other purposes) of the issue of the 121,892,423 Tranche 1 Placement Shares (pursuant to the Company's placement capacity under Listing Rule 7.1A).

Resolution 4 is an ordinary resolution.

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

## 8.2 Listing Rule 7.1A

The Company obtained Shareholder approval pursuant to Listing Rule 7.1A at its 2022 annual general meeting to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the Company's 2022 annual general meeting, without needing prior Shareholder approval (**10% Placement Capacity**).

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue does not reduce the company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future up to the 10% Placement Capacity set out in Listing Rule 7.1A (in addition to placement capacity under Listing Rule 7.1) without the requirement to obtain prior Shareholder approval. To this end, Resolution 4 seeks Shareholder ratification and approval for the Tranche 1 Placement Shares under and for the purposes of Listing Rule 7.4 (and for all other purposes).

If Resolution 4 is passed, the 121,892,423 Tranche 1 Placement Shares will be excluded in calculating the Company's 10% Placement Capacity in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval pursuant to the Company's 10% Placement Capacity.

If Resolution 4 is not passed, the 121,892,423 Tranche 1 Placement Shares will be included in calculating the Company's 10% Placement Capacity in Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval.

## 8.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolution 4 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 121,892,423 Tranche 1 Placement Shares were issued to institutional and sophisticated investors identified by Argonaut Securities Pty Ltd and Forrest Capital Pty Ltd as the brokers to the Placement. No investor under the Tranche 1 Placement was a related party of the Company, a member of the Company's key management personnel, a substantial shareholder in the Company or an adviser of the Company or an associate of any of those persons.
- (b) The Tranche 1 Placement Shares comprised the issue of 121,892,423 Shares pursuant to the Company's placement capacity under Listing Rule 7.1A, ratification of which is sought pursuant to Resolution 4.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued in consideration for an issue price of \$0.013 per Share, raising a total of \$1,584,601.50 (before costs).
- (e) The Tranche 1 Placement Shares were issued on Monday, 31 July 2023.
- (f) Funds raised from the issue of the Tranche 1 Placement Shares are intended to be used as detailed in Section 4.2.
- (g) The Tranche 1 Placement Shares were issued pursuant to subscription letters pursuant to which institutional and sophisticated investors agreed to participate in the Tranche 1 Placement.
- (h) A voting exclusion statement is included in the Notice for Resolution 4.

## 8.4 Board recommendation

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

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## 9 Resolution 5 – Approval of 10% Placement Facility

### 9.1 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.

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

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c)).

If Resolution 5 is passed, the Company will be able to issue Equity Securities under Listing Rule 7.1A up to 10% of its issued share capital over a 12 month period after the annual general meeting, in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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

### 9.2 Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

#### (b) Equity Securities

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

The Company, as at the date of the Notice, has on issue two quoted classes of Equity Securities, being Shares and Options.

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

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

**(A x D) – E**

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

*Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

**D** is 10%.

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

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

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

At the date of the Notice, the Company has on issue 1,365,416,334 Shares and accordingly, subject to Resolution 5 being approved by Shareholders, will have the capacity to issue:

- (i) 204,812,450 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 5, 136,541,633 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c)).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

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

(f) **10% Placement Period**

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

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

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

9.3 **Effect of Resolution**

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

9.4 **Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options or Performance Rights, only if the Options or Performance Rights are exercised or converted). There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.045 50% decrease in Issue Price	\$0.09 Issue Price	\$0.18 100% increase in Issue Price
<b>Current Variable A</b> <b>1,365,416,334 Shares</b>	<b>10% Voting Dilution</b>	136,541,633 Shares	136,541,633 Shares	136,541,633 Shares
	<b>Funds raised</b>	\$6,144,373.49	\$12,288,746.97	\$24,577,493.94
<b>50% increase in current Variable A</b> <b>2,048,124,501 Shares</b>	<b>10% Voting Dilution</b>	204,812,450 Shares	204,812,450 Shares	204,812,450 Shares
	<b>Funds raised</b>	\$9,216,560.25	\$18,433,120.50	\$36,866,241.00
<b>100% increase in current Variable A</b> <b>2,730,832,668 Shares</b>	<b>10% Voting Dilution</b>	273,083,267 Shares	273,083,267 Shares	273,083,267 Shares
	<b>Funds raised</b>	\$12,288,747.02	\$24,577,494.03	\$49,154,988.06

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options or Performance Rights (including any Options or Performance Rights issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.



- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
  - (vii) The issue price is \$0.09, being the closing price of the Shares on ASX on 17 October 2023.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid on the earlier of:
- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
  - (ii) the time and date of the entity's next annual general meeting; or
  - (iii) the time and date that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 3.10.3 and 7.1A.4 upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case by case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) In the 12 months preceding the date of the Meeting the Company issued a total of 121,892,423 Equity Securities under Listing Rule 7.1A.2 which represent 11.34% of the total number of Equity Securities on issue at 30 November 2022, being 12 months prior to the date of the Meeting. Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting under Listing Rule 7.1A.2 are set out below:

<b>Date of Issue</b>	31 July 2023
<b>Ordinary Shares</b>	121,892,423

<b>Issue Price</b>	\$0.013 (representing a 18.8% discount to the closing market price of Shares on the ASX on 19 July 2023).
<b>Consideration</b>	<p>\$1,584,601.50 (before costs)</p> <p>As at the date of the Notice, the Company has used approximately \$660,000 of the proceeds from the issue of Equity Securities. These proceeds have been used towards continuation of the phase-2 drill campaign at the Burbanks Gold Project, completion of the scoping study for the Mt Thirsty Ni-Co-Mn-Sc Project (Greenstone 50%: Conico Limited 50%); and general working capital and corporate costs requirements.</p>
<b>Issued to or basis of issue</b>	Issued to institutional and sophisticated investors identified by Argonaut Securities Pty Ltd and Forrest Capital Pty Ltd as the brokers to the Placement.

- (k) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2022 annual general meeting.
- (l) A voting exclusion statement is included in the Notice for Resolution 5.
- (m) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

#### 9.5 **Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 5.

## Schedule 1

### Definitions

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

**\$** means Australian Dollars.

**10% Placement Capacity** has the meaning given in Section 8.2.

**10% Placement Facility** has the meaning given in Section 9.1.

**10% Placement Period** has the meaning given in Section 9.2(f).

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2022.

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

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

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

**Board** means the board of Directors.

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

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means Greenstone Resources Limited (ACN 093 396 859).

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

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

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

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Eligible Participants** has the meaning given in Section 7.1.

**Employee Incentives** has the meaning given in Section 7.1.

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

**Existing Plan** has the meaning given in Section 7.1.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Key Management Personnel** means 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.

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

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

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

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

**Option** means an option to acquire a Share.

**Performance Right** means a right to be issued a Share.

**Placement** has the meaning given in Section 4.1.

**Plan** has the meaning given in Section 7.1.

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

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

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

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

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

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

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

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

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

**Tranche 1 Placement** has the meaning given in Section 4.1.

**Tranche 1 Placement Shares** has the meaning given in Section 4.1.

**VWAP** means volume weighted average price.

## Schedule 2

### Summary of Equity Incentive Plan

The terms of the Greenstone Resources Limited Equity Incentive Plan (**Plan**) are summarised below. A copy of the Plan can be obtained by contacting the Company.

#### Definitions

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

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

### **Participation**

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

### **Offer**

- 4 The manner, form, content, timing and frequency of Offers will be as determined by the Board in its sole and absolute discretion.

- 5 An Offer must be set out in an Offer Letter delivered to the Eligible Participant. The Offer Letter may specify (as determined by the Board):
  - 5.1 that the Offer is expressed to be made under Division 1A of Part 7.12 of the Corporations Act;
  - 5.2 the number of Options or Performance Rights;
  - 5.3 the grant date;
  - 5.4 the fee payable by the Eligible Participant on the grant of Options or Performance Rights (if any);
  - 5.5 the Vesting Conditions (if any);
  - 5.6 the exercise price (if any);
  - 5.7 the exercise period (if applicable);
  - 5.8 the performance period (if applicable); and
  - 5.9 the expiry date and term (if applicable).
- 6 An Offer must be accompanied by an Application, the terms and conditions of the relevant Employee Incentives and a copy of the Plan.

#### **Nominee**

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

#### **Employee Share Trust**

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

#### **Vesting Conditions**

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

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

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

#### **Maximum Allocation**

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

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

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

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

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

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

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

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

18.1 where the Participant is a Non-Agreed Leaver, upon the occurrence of a lapsing event in accordance with clause 21;

18.2 where clause 22 applies;

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

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

18.5 the expiry date;

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

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

#### **Agreed Leaver**

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



- 19.1 all vested and (subject to clause 19.2 unvested Employee Incentives which have not been exercised in accordance with the Plan Rules will continue in force, unless the Board determines otherwise in its sole and absolute discretion; and
- 19.2 the Board may at any time, in its sole and absolute discretion, do one or more of the following:
- 19.2.1 permit unvested Employee Incentives held by the Agreed Leaver to vest;
  - 19.2.2 amend the Vesting Conditions or reduce the performance period or Exercise Period of such unvested Employee Incentives; or
  - 19.2.3 determine that the unvested Employee Incentives will lapse.
- 20 Where a person is an Agreed Leaver due to a Special Circumstance, the nominated beneficiary shall be entitled to benefit from any exercise of the above discretionary powers by the Board.

### **Non-Agreed Leaver**

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

### **Forfeiture events**

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

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

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

### **Discretion of the Board**

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

### **Rights attaching to securities**

- 24 Any Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares, including those Shares issued, directly, under the Plan, on and from the date of allotment, issue or transfer in respect of all rights and bonus issues,

and dividends which have a record date for determining entitlements on or after the date of allotment, issue, or transfer of those Shares.

### **Holding Lock**

- 25 The Board may at any time request that the Company's share registry impose a holding lock on any Employee Incentives issued pursuant to the Plan where the Board determines or reasonably believes (in its absolute discretion) that a Participant (or a former Participant) has or may breach the Plan Rules.

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

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

### **Contravention of Rules**

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

### **Amendments**

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

# Proxy Voting Form

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

Your proxy voting instruction must be received by **02.00pm (AWST) on Tuesday, 28 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](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

##### WEBSITE:

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

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

