



# Lefroy Exploration

## Lefroy Exploration Limited

IBC No.29457

ARBN 052 123 930

## 2023 Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at  
the offices of Taurus Funds, Level 41, Gateway, 1 Macquarie Place, Sydney NSW Australia  
on Tuesday, 5 December 2023 commencing at 10.00am (AEDT)**

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. A proxy form is enclosed. If you are unable to attend the Annual General Meeting please complete and return the enclosed proxy form in accordance with the specified directions. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser without delay.



## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Lefroy Exploration Limited, incorporated in the British Virgin Islands, IBC No.29457, Australian Registered Business Number 052 123 930 (“Company”) will be held at the offices of Taurus Funds, Level 41, Gateway, 1 Macquarie Place, Sydney NSW Australia on Tuesday, 5 December 2023 commencing at 10.00am (AEDT).

The purpose of the Meeting is to consider, and if thought fit, pass the following resolutions:

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### **FINANCIAL STATEMENTS AND REPORTS**

To receive the annual financial report of the Company and its controlled entities for the financial year ended 30 June 2023 together with the declaration of the directors, the directors’ report and the auditors’ report.

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### **RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MICHAEL DAVIES**

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

“That, for the purpose of ASX Listing Rule 14.4 and for all other purposes, Mr Michael Davies, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

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### **RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY**

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

“That, for the purposes of ASX 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 ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

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### **RESOLUTION 3 – RATIFICATION OF PLACEMENT**

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

“That, for the purpose of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue of 35,843,750 Shares at an issue price of \$0.16 per Share issued on 2 October 2023, as follows:

- a) 24,068,700 Placement Shares issued under Listing Rule 7.1; and
- b) 11,775,050 Placement Shares issued under Listing Rule 7.1A,

on the terms and conditions set out in the Explanatory Statement.”

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of the Resolution by or on behalf of:*

- (a) a person who participated in the issue; or
- (b) 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.

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#### **RESOLUTION 4 – APPROVAL OF ISSUE OF SHARES TO MR GORDON GALT (OR HIS NOMINEE)**

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

**“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 625,000 Shares at an issue price of \$0.16 per Share to Mr Gordon Galt (or his nominee), on the terms and conditions set out in the Explanatory Statement.”**

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Mr Galt (or his nominee) and any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares); or
- (b) 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 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 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 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.

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#### **RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES TO MR WADE JOHNSON (OR HIS NOMINEE)**

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

**“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 93,750 Shares at an issue price of \$0.16 per Share to Mr Wade Johnson (or his nominee) , on the terms and conditions set out in the Explanatory Statement.”**

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Mr Johnson (or his nominee) and any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares); or
- (b) 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 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 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 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.

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**RESOLUTION 6 – APPROVAL OF ISSUE OF SHARES TO MR MICHAEL DAVIES (OR HIS NOMINEE)**

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

**“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,875,000 Shares at an issue price of \$0.16 per Share to Mr Michael Davies (or his nominee), on the terms and conditions set out in the Explanatory Statement.”**

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of the Resolution by or on behalf of:*

- (a) Mr Davies (or his nominee) and any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares); or
- (b) 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 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 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 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.

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**RESOLUTION 7 - APPROVAL OF ISSUE OF SHARES TO MS TARA FRENCH (OR HER NOMINEE)**

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

**“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue 312,500 Shares at an issue price of \$0.16 per Share to Ms Tara French (or her nominee) on the terms and conditions set out in the Explanatory Statement.”**

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of the Resolution by or on behalf of:*

- (a) Ms French (or her nominee) and any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares); or
- (b) 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 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 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 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.

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Members are referred to the Explanatory Statement accompanying this Notice of Meeting.

A copy of the Annual Report is available at the Company's website at: <https://lefoyex.com/reports/>.

For the purpose of the meeting, securities will be taken to be held by the persons who are registered holders at 10.00am (AEDT) on Sunday, 3 December 2023. Transactions registered after that time will be disregarded in determining entitlements to attend and to vote at the meeting.

**BY ORDER OF THE BOARD**



**Susan Park**  
**Company Secretary**  
3 November 2023

## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held the office of Taurus Funds, Level 41, Gateway, 1 Macquarie Place, Sydney NSW Australia on Tuesday, 5 December 2023 commencing at 10.00am (AEDT).

### **1. FINANCIAL STATEMENTS AND REPORTS**

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company and its controlled entities for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' Report and the auditor's Report.

### **2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR**

#### **2.1 General**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Mr Michael Davies, who has served as a Director since last re-elected on 9 December 2020 retires by rotation and seeks re-election.

#### **2.2 Qualifications and Other Material Directorships**

**Michael Davies** (Non-Executive Director) - appointed 1 July 2010

**Qualifications** - BA Hons, MBA

Mr Michael Davies is a specialist in resource financing, with over 35 years' experience in investment banking (Barclays, BZW and ABN AMRO) originating, structuring and arranging debt and providing corporate advice to natural resources companies internationally.

Mr Michael Davies also has extensive commercial experience in the mining industry having been involved in the negotiation of joint venture agreements, participating on joint venture committees and negotiating the acquisition and sale of mining tenements.

Mr Davies is currently a non-executive director of the Company.

Mr Davies is a founding Principal and Director of Taurus Funds Management Pty Ltd and a Director of NuCoal Resources Ltd and QMETCO Limited.

#### **2.3 Independence**

If elected, the Board considers Mr Davies is not considered to be an independent Director as he is a substantial shareholder of the Company.

#### **2.4 Board recommendation**

The Board (excluding Mr Davies who has an interest in the Resolution) considers that Mr Davies' qualifications, skills and experience will continue to enhance the Board's ability to perform its role.

Accordingly, the Board supports the re-election of Mr Davies and recommends that Shareholders vote in favour of Resolution 1.

### **3. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY**

#### **3.1 Background**

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of Equity Securities (as defined below) 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, ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval, by way of a special resolution passed at an annual general meeting, to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- a) is not included in the S&P/ASX 300 Index; and
- b) has a maximum market capitalisation equal to or less than \$300 million.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of less than \$300 million.

An Equity Security is defined to include a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or any security that ASX decides to classify as an equity security. Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities. As at the date of this Notice, the Company currently has one class of quoted Equity Securities, being Shares (ASX code: LEX).

If Shareholders approve Resolution 2, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and the Company's total placement capacity will increase to 25% of its issued capital pursuant to ASX Listing Rule 7.1 and 7.1A.

Resolution 2 is proposed as a special resolution. For the purpose of these resolutions, this means that at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 2 for it to be passed.

If Resolution 2 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in ASX Listing Rule 7.1.

#### **3.2 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 2:

## a) Minimum Price

The minimum price at which the Equity Securities may be issued under the 10% Placement Capacity is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- b) if the Equity Securities are not issued within 10 ASX trading days of the date specified in paragraph (a) above, the date on which the Equity Securities are issued.

## b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- a) 12 months after the date of the Meeting;
- b) the date of the Company's next annual general meeting; and
- c) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

(10% Placement Capacity Period).

## c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 2 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, 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 ASX Listing Rule 7.1A.2, on the basis of the market price of Shares and the number of Equity Securities on issue as at 27 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 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	Dilution			
	Issue Price (per Share)	\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.255 50% increase in Issue Price
196,301,752 (Current Variable A)	Shares issued - 10% voting dilution	19,630,175 Shares	19,630,175 Shares	19,630,175 Shares
	Funds raised	\$1,668,565	\$3,337,130	\$5,005,695
294,452,628 (50% increase in Variable A)	Shares issued – 10% voting dilution	29,445,262 Shares	29,445,262 Shares	29,445,262 Shares
	Funds raised	\$2,502,847	\$5,005,694	\$7,508,542



Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	Dilution			
	Issue Price (per Share)	\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.255 50% increase in Issue Price
392,603,504 (100% increase in Variable A)	Shares issued - 10% voting dilution	39,260,350 Shares	39,260,350 Shares	39,260,350 Shares
	Funds raised	\$3,337,130	\$6,674,260	\$10,011,389

Note - 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 ASX Listing Rule 7.1.

The table above uses the following assumptions:

- a) There are currently 196,301,752 Shares on issue as at the date of this Explanatory Memorandum.
- b) The issue price set out above is the closing price of the Shares on the ASX on 27 October 2023.
- c) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- d) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or without approval under ASX Listing Rule 7.1.
- e) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no options are exercised before the date of issue of the Equity Securities.
- f) 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.
- g) This table does not set out any dilution pursuant to approvals obtained under ASX Listing Rule 7.1.
- h) 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%.
- i) 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- a) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- b) 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.

#### d) Purpose of Issue under 10% Placement Capacity

The Company may only issue Equity Securities under the 10% Placement Capacity for cash consideration. The Company intends to use any funds raised primarily towards the costs associated with exploration on the Company's tenement package and/or for general working capital.

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

## e) Allocation policy under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity 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 10% Placement Capacity, having regard to the following factors:

- a) the purpose of the issue;
- b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- c) the effect of the issue of the Equity Securities on the control of the Company;
- d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- e) prevailing market conditions; and
- f) advice from corporate, financial and broking advisers (if applicable).

## f) Previous issues under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 6 December 2022 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, the Company issued 11,775,050 Equity Securities under the Previous Approval. Please refer below for further details -

Date of issue	Recipient	Number and type of security	Price	Use of funds
2 October 2023	The Shares were issued to new and existing sophisticated and professional investors pursuant to a placement. The participants in the placement were identified through a bookbuild process, which involved the joint lead managers, Bridge Street Capital Partners Pty Ltd and Morgans Corporate Ltd, and the Board.	11,775,050 Shares representing ~8% of the total number of Shares on issue at the commencement of that 12 month period.	\$0.16 each, representing an 8.5% discount to the closing price on the date of issue.	<p><b>Cash raised:</b> ~\$1.884 million (before costs)</p> <p><b>Cash spent:</b> Nil</p> <p><b>Intended use of remaining funds:</b> Funds raised from the placement will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.</p>

## g) Voting Exclusion

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

## 4. RESOLUTIONS 3(a) AND 3(b) – RATIFICATION OF PLACEMENT SHARES

### 4.1 Background

On 22 September 2023, the Company announced a \$6.2 million placement (before costs) comprising

the issue of 38,750,000 Shares at an issue price of \$0.16 per Share (**Placement**). Lefroy Directors committed to subscribe for a total of 2,906,250 Shares at the Placement issue price of \$0.16 per Share to raise \$465,000. The remaining 35,843,750 Shares (**Placement Shares**) were taken up by new professional and sophisticated investors as well as existing Shareholders. Bridge Street Capital Partners Pty Ltd and Morgans Corporate Ltd acted as Joint Lead Managers for the Placement.

The proceeds of the Placement will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes. Proceeds from the Placement will be focused initially on gold exploration at the Mt Martin open pit, focusing resources and extensional drilling of the open-pit to facilitate optimization studies and a pathway to resume mining. After this, the Company will undertake resource infill and expansion drilling at the Goodyear Nickel Deposit to test the upside potential along strike and down plunge of the deposit. Funds from the Placement will allow the Company to target other emerging gold and nickel prospects within the greater Lefroy Project.

The Company issued the 35,843,750 Placement Shares on 2 October 2023. 24,068,700 Placement Shares were issued under Listing Rule 7.1 and 11,775,050 Placement Shares issued under Listing Rule 7.1A. Resolution 3 seeks Shareholder approval to the ratification for the purposes of Listing Rule 7.4 for the issue of the Placement Shares.

#### **4.2 ASX Listing Rules 7.1, 7.1A and 7.4**

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.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained this approval at its 2022 annual general meeting held on 6 December 2022.

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1 and the additional 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the issue of the Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The effect of Shareholders passing Resolutions 3(a) and 3(b) will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1, and the additional 10% placement capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

If Resolution 3(a) is passed, 24,068,700 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 3(b) is passed, 11,775,050 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 3(a) is not passed, 24,068,700 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 24,068,700 Equity Securities for the 12-month period following the issue of those Placement Shares.

If Resolution 3(b) is not passed, 11,775,050 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 11,775,050 Equity Securities for the 12 month period following the issue of those Placement Shares (and assuming the Company's approval under Listing Rule 7.1A remains in force for this period).

The Company confirms that Listing Rule 7.1 was not breached at the time the Placement Shares were issued.

#### **4.3 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 3(a) and 3(b) and the ratification of the issue of the Placement Shares issued pursuant to the Company's existing Listing Rule 7.1 placement capacity:

- The Placement Shares were issued to new and existing professional and sophisticated investors determined by Bridge Street Capital Partners in consultation with the Board. The subscribers were not related parties of the Company at the time of the issue of the Shares.
- A total of 35,843,750 Placement Shares were issued on 2 October 2023 as follows:
  - 24,068,700 Placement Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1; and
  - 11,775,050 Placement Shares were issued within the Company's additional 10% placement capacity permitted under Listing Rule 7.1A. .
- The Placement Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Placement Shares was \$0.16 per Share.
- Funds raised from the issue will be used to will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.
- A voting exclusion statement is included in Resolutions 3(a) and 3(b) of the Notice.

#### **4.4 Directors' recommendation**

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 and 7.1A. Therefore, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 3(a) and 3(b).

#### **5. RESOLUTIONS 4 TO 7 – APPROVAL OF ISSUE OF SHARES TO GORDON GALT, WADE JOHNSON, MICHAEL DAVIES AND TARA FRENCH (OR THEIR RESPECTIVE NOMINEES)**

##### **5.1 General**

As noted in Section 4.1 above, on 22 September 2023, the Company announced the Placement.

Lefroy Directors committed to participate in the Placement as follows:

- Lefroy non-executive Chairman Mr Gordon Galt (or his nominee) committed to subscribe for 625,000 Shares at the Placement issue price of \$0.16 per Share to raise \$100,000, subject to Shareholder approval in Resolution 4;
- Lefroy Managing Director Mr Wade Johnson (or his nominee) committed to subscribe for 93,750 Shares at the Placement issue price of \$0.16 per Share to raise \$15,000, subject to Shareholder approval in Resolution 5;
- Lefroy non-executive Director Mr Michael Davies (or his nominee) committed to subscribe for 1,875,000 Shares at the Placement issue price of \$0.16 per Share to raise \$300,000, subject to Shareholder approval in Resolution 6; and
- Lefroy non-executive Director Ms Tara French (or her nominee) committed to subscribe for 312,500 Shares at the Placement issue price of \$0.16 per Share to raise \$50,000, subject to Shareholder approval in Resolution 7.

The funds raised from the issue of Shares to the Directors will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.

##### **5.2 ASX Listing Rule 10.11**

ASX Listing Rule 10.11 provides that a company must not issue Equity Securities to a Related Party without the approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under ASX Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

Mr Gordon Galt, Mr Michael Davies, Ms Tara French and Mr Wade Johnson fall within the category set out in ASX Listing Rule 10.11.1 by virtue of being a Director of Lefroy and are Related Parties of the Company.

The Resolutions are independent. If:

- Resolution 4 is not approved, the 625,000 Shares at an issue price of \$0.16 per Share under the placement to Mr Galt will not be issued and the Company will not receive the additional \$100,000 in Placement proceeds;

- Resolution 5 is not approved, the 93,750 Shares at an issue price of \$0.16 per Share under the placement to Mr Johnson will not be issued and the Company will not receive the additional \$15,000 in Placement proceeds;
- Resolution 6 is not approved, the 1,875,000 Shares at an issue price of \$0.16 per Share under the placement to Mr Davies will not be issued and the Company will not receive the additional \$300,000 in Placement proceeds; and
- Resolution 7 is not approved, the 312,500 Shares at an issue price of \$0.16 per Share under the placement to Ms French will not be issued and the Company will not receive the additional \$50,000 in Placement proceeds.

### **5.3 Technical information required by ASX Listing Rule 10.13**

Resolution 4 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 to approve the issue of 625,000 Shares at an issue price of \$0.16 per Share to Mr Gordon Galt (or his nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 4:

- The 625,000 Shares will be issued to Mr Gordon Galt (or his nominee).
- Mr Gordon Galt falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The maximum number of securities to be issued is 625,000 Shares.
- The 625,000 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- The issue price of the Shares will be \$0.16 per Share.
- Funds raised from the issue will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 4 of the Notice.

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of a total of 93,750 Shares at an issue price of \$0.16 per Share to Mr Wade Johnson (or his nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 5:

- The 93,750 Shares will be issued to Mr Wade Johnson (or his nominee).
- Mr Wade Johnson falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The maximum number of securities to be issued is 93,750 Shares.
- The 93,750 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- The issue price of the Shares will be \$0.16 per Share.

- Funds raised from the issue will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 5 of the Notice.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of a total of 1,875,000 Shares at an issue price of \$0.16 per Share to Mr Michael Davies (or his nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 6:

- The 1,875,000 Shares will be issued to Mr Michael Davies (or his nominee).
- Mr Michael Davies falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The maximum number of securities to be issued is 1,875,000 Shares.
- The 1,875,000 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- The issue price of the Shares will be \$0.16 per Share.
- Funds raised from the issue will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 6 of the Notice.

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of a total of 312,500 Shares at an issue price of \$0.16 per Share to Ms Tara French (or her nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 7:

- The 312,500 Shares will be issued to Ms Tara French (or her nominee).
- Ms Tara French falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The maximum number of securities to be issued is 312,500 Shares.
- The 312,500 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- The issue price of the Shares will be \$0.16 per Share.
- Funds raised from the issue will be used to accelerate exploration of the Company's gold and nickel assets at the Location 45 project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 7 of the Notice.

#### **5.4 Directors' recommendation**

The Directors (other than Mr Gordon Galt who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 4.



The Directors (other than Mr Wade Johnson who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 5.

The Directors (other than Mr Michael Davies who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 6.

The Directors (other than Ms Tara French who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 7.

## 6. GLOSSARY

\$ means Australian dollars.

**10% Placement Capacity** has the meaning given in Section 3.1.

**AEDT** means Australian Eastern Daylight Savings Time.

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

**Articles of Association** means the memorandum and articles of association of the Company as amended from time to time.

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

**Associate** has the meaning given in sections 12, 15 and 16 of the Corporations Act as if the reference to an Associate in this Notice occurred in a provision of Chapter 6 of the Corporations Act.

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

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

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

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

**Company** means Lefroy Exploration Limited, incorporated in the British Virgin Islands. IBC No.29457, Australian Registered Business Number 052 123 930.

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

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

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** includes a Share, a right to a Share or option, an option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

**Ordinary Resolution** means for the purposes of these resolutions, that more than 50% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour for the resolution to be passed.

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

**Regulation** means a regulation of the Articles of Association.

**Relevant Interest** has the meaning given to that term in sections 608 and 609 of the Corporations Act.

**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.

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

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

**Special Resolution** means for the purposes of these resolutions, that at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour for the resolution to be passed.





# Lefroy Exploration

Lefroy Exploration Limited  
ABN 71 052 123 930

## Need assistance?



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



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AEDT) on Sunday, 3 December 2023.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 183422**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Lefroy Exploration Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lefroy Exploration to be held at the offices of Taurus Funds, Level 41, Gateway, 1 Macquarie Place, Sydney NSW Australia on Tuesday, 5 December 2023 at 10:00am (AEDT) and at any adjournment or postponement of that meeting.

## Step 2 Items of Business

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

		For	Against	Abstain
1	Re-election of Director - Michael Davies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 (a)	Ratification of Placement (24,068,700 Placement Shares issued under Listing Rule 7.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 (b)	Ratification of Placement (11,775,050 Placement Shares issued under Listing Rule 7.1A)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of issue of Shares to Mr Gordon Galt (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval of issue of Shares to Mr Wade Johnson (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Approval of issue of Shares to Mr Michael Davies (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Approval of issue of Shares to Ms Tara French (or her nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

**Update your communication details** (Optional)

Mobile Number <input type="text"/>	Email Address <input type="text"/>
---------------------------------------	---------------------------------------

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

