



GOLDEN STATE **MINING**

Golden State Mining Limited
ABN 52 621 105 995

NOTICE OF GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting

Friday
15 December 2023

Time of Meeting

11:00 am (AWST)

Place of Meeting

Stantons
Level 2, 40 Kings Park Road
WEST PERTH WA 6005

This Notice of General Meeting should be read in its entirety. If in doubt as to how to should vote, seek advice from an accountant, solicitor or other professional adviser prior to voting.

Golden State Mining Limited

Notice of General Meeting 15 December 2023

Golden State Mining Limited ABN 52 621 105 995 NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting (**Meeting**) of Golden State Mining Limited (**Company**) will be held at Stantons, Level 2, 40 Kings Park Road, West Perth, Western Australia on Friday, 15 December 2023 at 11:00 am (AWST).

The Explanatory Statement to this Notice provides information on matters to be considered at the meeting. The Explanatory Statement and the Proxy Form are part of this Notice.

Capitalised terms and abbreviations used in this Notice and Explanatory Statement will, unless the context requires, have the same meaning as given to them in the Glossary.

AGENDA

RESOLUTION 1 – RATIFICATION OF ISSUE OF TRANCHE 1 PLACEMENT SHARES USING 15% PLACEMENT CAPACITY

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 28,663,173 fully paid ordinary Shares.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue or any associates of that person or such persons. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or 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 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.

RESOLUTION 2 – RATIFICATION OF ISSUE OF TRANCHE 1 PLACEMENT SHARES USING 10% PLACEMENT CAPACITY

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue (on the terms and conditions set out in the Explanatory Statement) of 19,108,827 fully paid ordinary Shares.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue or any associates of that person or such persons. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or 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 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.

RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 40,510,352 Shares at an issue price of \$0.017 per Share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), or any associates of that person or such persons. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions

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given to the proxy or attorney to vote on the resolution in that way; or 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 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.

RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 88,282,352 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), or any associates of that person or such persons. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or 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 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.

RESOLUTION 5 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 5,000,000 Options to Plutus Capital (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), or any associates of that person or such persons. However, this does not apply to a vote cast in favour of a resolution by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or 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 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.

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.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 11:00 am (AWST) on 13 December 2023 by:

1. Post to Automic Group, GPO Box 5193, Sydney NSW 2001;

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2. In person to Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000
3. Fax to Automic Group: +61 2 8583 3040
4. Email to Automic Group: meetings@automicgroup.com.au; or
5. Online in accordance with the personalised Proxy Form provided.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

Entitlement to Vote

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 4:00 pm (AWST) on 13 December 2023 will be entitled to attend and vote at the General Meeting.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

Electronic Communication

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

Voting of Proxies

The Proxy Form accompanying this Notice confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By order of the Board.

Marc Boudames

Company Secretary

Date: 14 November 2023

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and comprises part of the notice (**Notice**) convening the General Meeting (**Meeting**) of Shareholders of Golden State Mining Limited to be held at 11.00am (AWST) on 15 December 2023.

Capitalised terms and abbreviations used in this Explanatory Statement will, unless the context requires, have the same meaning as given to them in the Glossary.

1.0 RESOLUTION 1 – RATIFICATION OF ISSUE OF TRANCHE 1 PLACEMENT SHARES USING 15% PLACEMENT CAPACITY (TRANCHE 1)

1.1 General

On 13 November 2023, the Company announced that it had agreed to make a placement of fully paid ordinary shares (**Shares**) to raise \$1,500,800 before costs from qualified sophisticated and professional investors (**Placement**), with the Placement being made at \$0.017 per Share to issue a total of approximately 82,282,352 Shares, with one free option (exercisable at \$0.05 each, expiring 2 June 2025) for each share issued.

The Placement is to be made in two tranches.

- (a) The first tranche of 47,772,000 Shares (**Tranche 1 Placement Shares**) is proposed to be issued on or around 20 November 2023 (prior to the Meeting) using the Company's capacity under ASX Listing Rules 7.1 (15% rule) (in respect of 28,663,173 Shares) and 7.1A (10% rule) (in respect of 19,108,827 Shares), at an issue price of \$0.017 per Share to raise approximately \$812,124 before costs.
- (b) The second tranche of 40,510,352 Shares (**Tranche 2 Placement Shares**) is proposed to be issued at \$0.017 per Share to raise approximately \$688,676 before costs, subject to the Company receiving Shareholder approval, which approval is being sought in this Notice under Resolution 3.

Resolution 4 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 82,282,352 Options (exercisable at \$0.05 each, expiring 2 June 2025) to be issued free attaching on a one for one basis for each Share issued under the Placement (**Placement Options**).

Plutus Capital has acted as Lead Manager to the Placement under the terms of a mandate executed with the Company on or about 8 November 2023 (**Lead Manager Mandate**) and will be paid a capital raising fee of 6% (plus GST) of the funds raised. Plutus Capital will also be issued, subject to Shareholder approval, up to 5,000,000 Options (5 cent exercise price, expiring 2 June 2025) (**Lead Manager Options**). Resolution 5 seeks Shareholder approval to issue the Lead Manager Options.

The Company intends to use the funds raised from the Placement towards the following:

- **Lithium Exploration Strategy**
 - Paynes Find: Up to 8,000m of AC/RC drilling.
 - Paynes Find: Further field mapping and sampling.
 - Yule Nomad: Follow up mineralogy/petrology of the high Cs and Li samples.
 - General working capital

1.2 ASX Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company may, without shareholder approval, issue or agree to issue that number of Equity Securities that total up to 15% of the number of fully paid, ordinary securities on issue 12 months before the issue or agreement to issue plus the number of fully paid, ordinary securities issued by the company in that 12 month period with shareholder approval or under an exception to ASX Listing Rule 7.1.

A company's capacity to issue securities under ASX Listing Rule 7.1 is often referred to as its "15% capacity" or "15% placement capacity" and the limit in that rule is often referred to as the "15% limit".

The issue of 28,663,173 Tranche 1 Placement Shares does not fit within any of the exceptions to ASX Listing Rule 7.1 and has reduced the Company's 15% placement capacity under ASX Listing Rule 7.1 for a period of 12 months from the issue date of those Shares (being on or about 20 November 2023).

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of Equity Securities that has reduced the listed company's 15% placement capacity under ASX Listing Rule 7.1. If Shareholders approve the issue under ASX Listing Rule 7.4, the issue is taken to have been approved under ASX Listing Rule 7.1 and ceases to reduce the Company's 15% placement capacity under that rule.

To this end, Resolution 1 seeks Shareholder approval under ASX Listing Rule 7.4 for the 28,663,173 Tranche 1 Placement Shares issued under the Company's 15% placement capacity.

If Resolution 1 is passed, the 28,663,173 Tranche 1 Placement Shares will be no longer reduce the Company's 15% placement capacity under ASX Listing Rule 7.1. In addition, the Shares will be counted in Variable A under ASX Listing Rule 7.1, which is the base number of Shares on which the 15% and 10% placement capacities under ASX Listing Rules 7.1 and 7.1A, are based. This will effectively increase the number of Equity Securities that can be issued without Shareholder approval under the 15% and 10% placement capacities under those rules.

If Resolution 1 is not passed, the 28,663,173 Tranche 1 Placement Shares continue to reduce the Company's 15% limit in ASX Listing Rule 7.1 until 12 months after the issue date of those Shares (expected to be on or around 20 November 2024) unless approved by Shareholders before that date. In addition, the 28,663,173 Tranche 1 Placement Shares will not be counted in Variable A until 12 months after their issue date unless approved by Shareholders before that date.

1.3 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

- (a) the Shares will be issued as a private placement to numerous qualified sophisticated and professional investors known to the Company and the Lead Manager, Plutus Capital, none of whom is a related party, Key Management Personnel, substantial holder, advisor to the Company or their associate (so far as the Company is aware) being issued more than 1% of the Company's issued capital;
- (b) 28,663,173 Shares will be allotted and issued by the Company;
- (c) the Shares are fully paid ordinary shares which rank equally with all other fully paid ordinary shares on issue;
- (d) the Shares are expected to be issued on or about 20 November 2023 (prior to the Meeting);
- (e) the issue price is \$0.017 per Share;
- (f) the Shares were not issued under an agreement; and
- (g) the purpose of the issue is to raise funds intended to be applied towards the uses set out in section 1.1 above.

1.4 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

2.0 RESOLUTION 2 – RATIFICATION OF ISSUE OF TRANCHE 1 PLACEMENT SHARES USING 10% PLACEMENT CAPACITY

2.1 General

As detailed in the above in section 1.1, with respect to Tranche 1 Placement Shares, the Company also proposes to issue 19,108,827 Shares at an issue price of \$0.017 per Share without prior Shareholder approval out of its 10% placement capacity pursuant to Listing Rule 7.1A.

2.2 ASX Listing Rules 7.1A and 7.4

ASX Listing Rule 7.1A provides that, in addition to the 15% placement capacity permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue, during the period the approval is valid, a number of quoted Equity Securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

The Company obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its previous annual general meeting held on 25 November 2022.

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The issue on or about 20 November 2023 of 19,108,827 Tranche 1 Placement Shares will reduce the Company's 10% limit in ASX Listing Rule 7.1A by a total of 19,108,827.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of Equity Securities that has reduced the listed company's 10% placement capacity under ASX Listing Rule 7.1A. If Shareholders approve the issue under ASX Listing Rule 7.4, the issue is taken to have been approved under ASX Listing Rule 7.1 and ceases to reduce the Company's 10% placement capacity under ASX Listing Rule 7.1A.

To this end, Resolution 2 seeks Shareholder approval under ASX Listing Rule 7.4 for the issue of the 19,108,827 Tranche 1 Placement Shares on or about 20 November 2023 under the Company's 10% placement capacity.

If Resolution 2 is passed, 19,108,827 Tranche 1 Placement Shares will no longer reduce the Company's 10% limit in ASX Listing Rule 7.1A. In addition, the 19,108,827 Tranche 1 Placement Shares will be counted in Variable A under ASX Listing Rule 7.1, which is the base number of Shares on which the 15% and 10% placement capacities under, ASX Listing Rules 7.1 and 7.1A, are, respectively, based. This will effectively increase the number of Equity Securities that can be issued without Shareholder approval under the 15% and 10% placement capacities under those rules.

If Resolution 2 is not passed, the 19,108,827 Tranche 1 Placement Shares will continue to reduce the Company's 10% limit in ASX Listing Rule 7.1A until 12 months after the issue date of those Placement Shares (anticipated to be on or about 20 November 2024) unless approved by Shareholders before that date. In addition, the 19,108,827 Tranche 1 Placement Shares will not be counted in Variable A until 12 months after their issue date (unless subsequently approved by Shareholders before that date).

2.3 Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

- (a) the Shares will be issued as a private placement to numerous qualified sophisticated and professional investors known to the Company and the Lead Manager, Plutus Capital, none of whom (except as disclosed herein) is a related party, Key Management Personnel, substantial holder, advisor to the Company or their associate (so far as the Company is aware) being issued more than 1% of the Company's issued capital;
- (b) 19,108,827 Shares will be allotted and issued by the Company;
- (c) the Shares are fully paid ordinary shares which rank equally with all other fully paid ordinary shares on issue;
- (d) the Shares are expected to be issued on or about 20 November 2023 (prior to the Meeting);
- (e) the issue price is \$0.017 per Share;
- (f) the Shares were not issued under an agreement; and
- (g) the purpose of the issue is to raise funds intended to be applied toward the uses set out in section 1.1 above.

2.4 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

3.0 RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

3.1 General

As detailed in the above section 1.1, the Company has agreed, subject to obtaining Shareholder approval, to issue up to 40,510,352 Shares under the Placement (**Tranche 2 Placement Shares**) at an issue price of \$0.017 per share to raise up to approximately \$688,676 before costs.

3.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 1.2.

The issue of the Tranche 2 Placement Shares does not fit within any of the exceptions to ASX Listing Rule 7.1. The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

To this end, Resolution 3 seeks Shareholder approval to the issue under and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed and the Tranche 2 Placement Shares are issued, that issue will be disregarded for the purpose of calculating GSM's 15% limit, thus not adversely impacting the number of Equity Securities GSM can issue without shareholder approval over the 12 month period following the issue date of the Tranche 2 Placement Shares.

If Resolution 3 is not passed, the Company may not be permitted to issue the Tranche 2 Placement Shares and may need to adjust its proposed expenditure as a result.

3.3 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. If the Resolution is passed:

- (a) the Shares will be issued to numerous qualified sophisticated and professional investors known to the Company and the Lead Manager, Plutus Capital, none of whom is a related party, Key Management Personnel, substantial holder, advisor to the Company or their associate (so far as the Company is aware) being issued more than 1% of the Company's issued capital;
- (b) the Company will issue up to 40,510,352 Shares;
- (c) the Shares will be fully paid ordinary shares and rank equally with all other Shares on issue;
- (d) the Shares will be issued within 3 months of the Meeting or such later date as approved by ASX;
- (e) the issue price will be \$0.017 per Share;
- (f) the Shares are not being issued under an agreement; and
- (g) the purpose of the issue is to raise funds intended to be applied towards the uses set out in section 1.1 above.

3.4 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

4.0 RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS

4.1 General

As detailed in the above section 1.1, the Company has agreed, subject to obtaining Shareholder approval, to issue up to 88,282,352 Options (**Placement Options**) on a free attaching basis of 1 Option (exercisable at \$0.05 each; expiring 2 June 2025) for every 1 Shares subscribed for under the Placement.

4.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 1.2.

The issue of the Placement Options does not fit within any of the exceptions to ASX Listing Rule 7.1. The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval to the issue under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed and the Placement Options are issued, that issue will be disregarded for the purpose of calculating GSM's 15% limit, thus not adversely impacting the number of Equity Securities GSM can issue without shareholder approval over the 12 month period following the issue date of the Placement Options.

If Resolution 4 is not passed, the Company will not be permitted to issue the Placement Options.

4.3 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. If the Resolution is passed:

- (a) the Options will be issued to numerous qualified sophisticated and professional investors known to the Company and the Lead Manager, Plutus Capital, none of whom is a related party, Key Management Personnel, substantial holder, advisor to the Company or their associate (so far as the Company is aware) being issued more than 1% of the Company's issued capital;
- (b) the Company will issue up to 88,282,352 Options;
- (c) the Placement Options will be exercisable at \$0.05 each, expire 2 June 2025 and otherwise be on the terms set out in Schedule 1;
- (d) the Options will be issued within 3 months of the Meeting or such later date as approved by ASX and it is envisaged they will be issued at the same time as completion of Tranche 2 of the Placement following the Meeting;
- (e) the Placement Options will be issued for nil consideration as they are free attaching to Shares subscribed for under the Placement;
- (f) the Options are not being issued under an agreement; and
- (g) the purpose of the issue is to raise the funds intended to be applied towards the uses set out in section 1.1 above.

4.4 Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of the Resolution.

5.0 RESOLUTION 5 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

5.1 Background

As detailed in the above section 1.1, the Company engaged Plutus Capital to act as lead manager for the Placement. Under the terms of the Lead Manager Mandate, the Company has agreed to pay Plutus Capital a capital raising fee of 6% (plus GST) of amounts raised under the Placement and, subject to Shareholder approval, to issue Plutus Capital (or its nominees) up to 5,000,000 Options (exercisable at \$0.05 each; expiring 2 June 2025) (**Lead Manager Options**).

Resolution 7 seeks Shareholder approval for the Company to issue the Lead Manager Options.

5.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 1.2.

The issue of the Lead Manager Options does not fit within any of the exceptions to ASX Listing Rule 7.1. The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

To this end, Resolution 5 seeks Shareholder approval to the issue under and for the purposes of Listing Rule 7.1.

If Resolution 5 is passed and the Lead Manager Options are issued, that issue will be disregarded for the purpose of calculating GSM's 15% limit, thus not adversely impacting the number of Equity Securities GSM can issue without shareholder approval over the 12 month period following the issue date of the Lead Manager Options.

If Resolution 5 is not passed, the Company will not be permitted to issue the Lead Manager Options and will need to reach agreement with Plutus Capital as to an alternative way to remunerate for its lead manager services.

5.3 Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3. If the Resolution is

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passed:

- (a) the Lead Manager Options will be issued to Plutus Capital (or its nominees);
- (b) the Company will issue up to a maximum of 5,000,000 Lead Manager Options;
- (c) the Lead Manager Options will have an exercise price of 5 cents each, expiring 2 June 2025 and otherwise be on the terms set out in Schedule 1;
- (d) the Lead Manager Options will be issued within 3 months of the Meeting or such later date as approved by ASX and it is envisaged they will be issued after completion of Tranche 2 of the Placement following the Meeting;
- (e) the Lead Manager Options will be issued for nil cash consideration as they are being issued in part consideration for Plutus Capital acting as lead manager for the Placement under the Lead Manager Mandate; and
- (f) the Lead Manager Options are being issued under the Lead Manager Mandate, the material terms of which are that Plutus Capital is entitled to a capital raising fee of 6% of funds raised under the Placement together with, subject to Shareholder approval, 5,000,000 Lead Manager Options. The Mandate expires on the earlier of 31 January 2024 and completion of the Placement. It is otherwise on what are considered to be generally standard terms for an agreement of this nature.

GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meanings unless the context otherwise requires:

\$ means Australian dollars.

ASX means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of Directors.

Chair means Mr Damien Kelly, or (if Mr Kelly is absent) such other person appointed to chair the Meeting in accordance with the Constitution.

Company or **GSM** means Golden State Mining Limited ACN 621 105 995.

Constitution means the Company's constitution, as amended from time to time.

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

Director means a director of the Company.

Explanatory Statement means this information attached to the Notice.

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

Lead Manager Options means Options with the material terms and conditions set out in Schedule 1.

Listing Rules means the listing rules of ASX.

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

Option means an option to acquire a Share.

Placement has the meaning given in section 1.1 of the Explanatory Statement.

Plutus Capital means the Harshell Investments Pty Ltd trading as Plutus Capital Advisory.

Proxy Form means the proxy form accompanying to this Notice.

Related Parties has the meaning given in Section 4.1 of this Explanatory Statement.

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

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

Shareholder means a shareholder of the Company.

Schedule 1 – Lead Manager Options

Following are the terms of the Lead Manager Options (**Terms**):

- a) Definitions:
 - (i) **Expiry Date** means 5.00pm (Perth time) on 2 June 2025;
 - (ii) **Exercise Notice** means the form of written and/or electronic notice prescribed by the Company from time to time for the purpose of exercising the options.
- b) Each Option carries the right to subscribe for one fully paid ordinary share in the Company (**Share**) at an exercise price of A\$0.05.
- c) Options may be exercised by delivering to the Company's registered office (or such other place in Australia agreed with or instructed by the Company at the time) an Exercise Notice at any time prior to the Expiry Date.
- d) The Exercise Notice must (unless the Company otherwise agrees) be completed and delivered in the form and manner prescribed by the Company and be accompanied by the relevant payment of cleared funds (in Australian currency).
- e) A notice may, without limitation, be given by the Company to any Optionholder in the same manner as a notice may be given by the Company to any Shareholder.
- f) Following receipt of a properly executed Exercise Notice and monies in respect of the exercise of the Options, the Company will issue the resultant Shares and deliver notification of shareholdings in accordance with the limits set out in ASX listing rules (if applicable) or, if no such limits apply, within one month of receiving the Exercise Notice.
- g) The Company will, in accordance with ASX listing rules (if applicable) but in any case within 7 days of the date of issue, make application to have the Shares (issued pursuant to an exercise of options) listed for quotation by ASX.
- h) Shares issued pursuant to an exercise of Options shall rank, from the date of issue, pari passu with existing Shares in all respects.
- i) Options carry no right to participate in new issues of securities unless the Options are exercised before the record date for determining entitlements to the relevant new issue.
- j) Each Optionholder will be notified by the Company, in accordance with ASX listing rules (if applicable) of any proposed pro rata issue of securities to shareholders.
- k) Subject to any requirements of the Corporations Act and ASX listing rules (if applicable), the Options do not confer the right to a change in exercise price or the number of securities over which the Options are exercisable except in the event of a bonus issue of Shares being made pro rata to Shareholders (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue.
- l) In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of the Company, the terms of the options will be changed to the extent necessary to comply with the requirements of the ASX listing rules (in force at the time of the reorganisation, if applicable).
- m) Unless approved otherwise by the Company on a case-by-case basis (with no obligation on the Company to do so) or unless the parcel of Options being exercised represents the entire holding of the relevant Optionholder's Options in that class, Options can only be exercised in parcels of not less than 1,000,000.
- n) Any rights of approval, rejection, waiver or other discretion vested in the Company under these Terms may be exercised or not by the board of directors of the Company as it sees fit, with or without reasons, conditions or limitations.

Your proxy voting instruction must be received by **11.00am (AWST) on Wednesday, 13 December 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

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

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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