
RED MOUNTAIN MINING LIMITED
ACN 119 568 106
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10am AWST
DATE: 15 July 2024
PLACE: 1/38 Colin St, West Perth WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5PM AWST on 13 July 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF UNDERWRITER OPTIONS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 250,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF LEAD MANAGER OPTIONS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 60,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

Voting Exclusion Statements

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

Resolution 1 – Ratification of prior issue of Underwriter Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely Still Capital) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Lead Manager Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely Xcel Capital) or an associate of that person or those persons.

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

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6559 1792.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 – 2

1.1 Entitlement Issue

As announced on 7 May 2024, the Company secured funding of approximately \$341,852 (before costs) through a pro-rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by eligible Shareholders at an issue price of \$0.001 per Share together with one (1) free-attaching Option for every two (2) Shares applied for (**Offer**).

Proceeds from the Offer are intended to be used towards funding exploration programs at the Company's farm-in of Liontown Resources (LTR) Monjebup Rare Earth Project and other existing assets in addition to general working capital purposes.

In connection with the Offer, an aggregate of 310,000,000 Options were issued pursuant to the Company's existing placement capacity under Listing Rule 7.1 on 13 May 2024 as set out below:

- (a) 250,000,000 Options to Still Capital Pty Ltd (ACN 647 521 604) (AFSL 519872) (**Still Capital** or the **Underwriter**) in consideration for partially underwriting the Offer, pursuant to the terms of the Underwriting Agreement (defined below); and
- (b) 60,000,000 Options to Xcel Capital Pty Ltd (ACN 617 047 319) (**Lead Manager** or **Xcel Capital**) in part consideration for lead manager services provided in relation to the Offer, pursuant to the Mandate (defined below).

1.2 Underwriting and Sub-Underwriting

The Offer was partially underwritten to the value of \$750,000 by Still Capital pursuant to an underwriting agreement between the Company and Still Capital (**Underwriting Agreement**).

In accordance with the Underwriting Agreement, the Company agreed to issue the Underwriter (or their nominee/s) (1) Option for every three (3) Shares subscribed for by the Underwriter pursuant to its underwriting obligations, up to an aggregate of 250,000,000 Options (**Underwriter Options**). The Underwriting Agreement contained conditions precedent including the Company lodging a prospectus with ASIC (which occurred on 27 March 2024) and no termination events occurring. The Underwriting Agreement otherwise contained terms, representations and warranties considered standard for an agreement of its nature, including with respect to termination.

On 13 May 2024, the Company completed the issue of the 250,000,000 Underwriter Options under the Underwriting Agreement, utilising the Company's placement capacity under Listing Rule 7.1.

1.3 Lead Manager

The Company appointed Xcel Capital to act as lead manager to the Offer pursuant to a lead manager mandate (**Mandate**).

Under the Mandate, the Company agreed to:

- (a) pay the Lead Manager a management fee of \$20,000;
- (b) issue 60,000,000 Options subject to the Company's Listing Rule 7.1 placement capacity (pursuant to the Offer) (**Lead Manager Options**); and
- (c) pay any reasonable disbursements and out of pocket expenses to be agreed prior to their incursion.

The Mandate otherwise contains terms and conditions considered customary for an agreement of its nature.

On 13 May 2024, the Company completed the issue of the 60,000,000 Lead Manager Options, utilising the Company's placement capacity under Listing Rule 7.1.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

2.1 General

As set out in Section 1.1, the Company completed the issue of the Underwriter Options and Lead Manager Options on 13 May 2024.

The aggregate 310,000,000 Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1 (being, the subject of Resolution 1 and 2).

The issue of the Options did not breach Listing Rules 7.1 at the time of the issue.

2.2 Listing Rule 7.1 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 securities it had on issue at the start of that 12 month period.

The issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for

such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

Resolutions 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Underwriter Options and Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Lead Manager Options.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Underwriter Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and, similarly, if Resolution 2 is passed, the Lead Manager Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1. Excluding the Options effectively increases the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

If Resolution 1 is not passed, the Underwriter Options will be included in calculating the Company's 15% limit in Listing Rule 7.1 and, similarly, if Resolution 2 is passed, the Lead Manager Options will be included in calculating the Company's 15% limit in Listing Rule 7.1. Including the Options effectively decreases the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options.

2.4 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 Resolution 1 and 2:

- (a) the Underwriter Options were issued to Still Capital;
- (b) the Lead Manager Options were issued to Xcel Capital;
- (c) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that neither of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (d) 310,000,000 Options were issued in aggregate and the Options were issued on the terms and conditions set out in Schedule 1;
- (e) the Options were issued on 13 May 2024;
- (f) the Options were issued at a nil issue price, in consideration for services provided by the Underwriter and the Lead Manager. The Company has not and will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of:
 - (i) the Underwriter Options was to satisfy the Company's obligations under the underwriter agreement; and

- (ii) the Lead Manager Options was to satisfy the Company's obligations under the Mandate; and
- (h) the Options were issued to the Underwriter and the Lead Manager under the Underwriting Agreement and the Mandate respectively. A summary of the material terms of:
 - (i) the Underwriting Agreement are set out in Section 1.2; and
 - (ii) the Mandate are set out in Section 1.3.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means Red Mountain Mining Limited (ACN 119 568 106).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Lead Manager has the meaning given in Section 1.3.

Lead Manager Options has the meaning given in Section 1.3.

Listing Rules means the Listing Rules of ASX.

Mandate has the meaning given in Section 1.3.

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

Offer has the meaning given in Section 1.1.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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.

Underwriter has the meaning given in Section 1.2.

Underwriter Options has the meaning given in Section 1.2.

Underwriting Agreement has the meaning given in Section 1.2.

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

Xcel Capital has the meaning given in Section 1.3.

SCHEDULE 1 – OPTION TERMS AND CONDITIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.002 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 13 May 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

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

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

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

(h) **Shares issued on exercise**

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

(i) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in exercise price**

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

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 13 July 2024**, 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 Key Management Personnel.

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.



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