

Letter to Shareholders regarding General Meeting

26 June 2024

Dear Shareholders

NOTICE OF GENERAL MEETING

Rincon Resources Limited (ASX: RCR) (**Company**) is holding a General Meeting of its shareholders (**Shareholders**) on Tuesday, 30 July 2024 at 11.00am (WST) at Unit 8, 1200 Hay Street, West Perth WA 6005 (**Meeting**).

In accordance with the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of General Meeting (**Notice**) to Shareholders unless a shareholder has previously requested a hard copy. Instead, a copy of the Notice is available at the following link and has also been lodged on the Australian Securities Exchange (**ASX**):

<https://www.rinconresources.com.au/announcement-category/asx-announcements/>

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice.

In order to receive electronic communications from the Company in the future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents).

You may vote by attending the Meeting in person, by proxy or by appointing an authorised representative.

To vote by proxy, please complete and sign the proxy form attached to the Notice (**Proxy Form**) and return it by the time and in accordance with the instructions set out in the Proxy Form.

To vote in person, attend the Meeting at the time, date and place set out above. To assist the Company in managing the Meeting, shareholders who wish to attend the Meeting in person should register their attendance with the Company by telephone at +61 8 6555 2950 or info@rinconresources.com.au.

In accordance with section 249L of the *Corporations Act 2001* (Cth) (**Corporations Act**), Shareholders are advised that:

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

Proxy Forms must be received by 11.00am (WST) on Sunday, 28 July 2024.

Details on how to lodge your Proxy Form can be found in the Proxy Form. If you have any questions about your Proxy Form or are unable to access the Notice, please contact a Company Secretary by telephone at +61 8 6555 2950 or info@rinconresources.com.au.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow,

you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours faithfully

A handwritten signature in dark ink, appearing to be 'V. Goh', with a small dot at the end.

Victor Goh
Company Secretary
RINCON RESOURCES LIMITED

Rincon Resources Limited
ACN 628 003 538

Notice of General Meeting

Notice is given that the Meeting will be held at:

Time: 11:00 am (Perth time)
Date: 30 July 2024
Place: Unit 8
1200 Hay Street
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 7:00pm (Sydney time) on 28 July 2024.

Business of the Meeting

Agenda

1. Resolution 1 – Ratification of a prior issue – Listing Rule 7.1 Placement

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 7.4 and for all other purposes, Shareholders ratify the issue of 32,964,325 Shares to sophisticated and/or professional investors under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who participated in the issue, or any associates of those persons.

2. Resolution 2 – Ratification of a prior issue – Listing Rule 7.1A Placement

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 7.4 and for all other purposes, Shareholders ratify the issue of 23,035,675 Shares to sophisticated and/or professional investors under ASX Listing Rule 7.1A on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who participated in the issue, or any associates of those persons.

3. Resolution 3 – Issue of Options – Joint Lead Managers of Placement

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 7.1 and for all other purposes, Shareholders approve the issue of 16,000,000 Options to CPS Capital Group Pty Ltd and Ironside Capital Pty Ltd (or their respective nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of CPS Capital Group Pty Ltd, Ironside Capital Pty Ltd (or their nominee(s)), or any person who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons.

4. Resolution 4 – Approval to issue Options to a Related Party – Gary Harvey

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Gary Harvey (or his nominee(s)) 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 or on behalf of Gary Harvey (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution

as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. Resolution 5 – Approval to issue Options to a Related Party – David Lenigas

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,000,000 Options to David Lenigas (or his nominee(s)) 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 or on behalf of David Lenigas (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

6. Resolution 6 – Approval to issue Options to a Related Party – Blair Sergeant

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Blair Sergeant (or his nominee(s)) 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 or on behalf of Blair Sergeant (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution

as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

7. Resolution 7 – Approval to issue Options to a Related Party – Donald Strang

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Donald Strang (or his nominee(s)) 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 or on behalf of Donald Strang (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

8. Resolution 8 – Approval to issue Options to a Related Party – Michael Griffiths

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Options to Michael Griffiths (or his nominee(s)) 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 or on behalf of Michael Griffiths (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution

as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (e) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and
- (f) the appointment does not specify the way the proxy is to vote on this Resolution.

However, provided the Chair is not a Restricted Party, the above prohibition does not apply if:

- (g) the proxy is the Chair; and
- (h) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

9. Resolution 9 – Issue of Options to employees and consultants

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 7.1 and for all other purposes, Shareholders approve the issue of 2,000,000 Options to certain employees and consultants of the Company (or their respective nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those persons.

Dated: 26 June 2024

By order of the Board

Victor Goh
Company Secretary

Voting exclusion statements

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that 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.

Voting in person

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

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:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 changes to the Corporations Act made in 2011 mean that:

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6243 4089.

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

On 22 May 2024, the Company announced a capital raising of \$5.6 million (before costs) through the issue of 56,000,000 Shares at \$0.10 per Share (**Placement**). The issue price under the Placement represented the 10-day VWAP to 17 May 2024.

The Placement was completed on 30 May 2024 using the Company's placement capacity under Listing Rule 7.1 (32,964,325 Shares) and Listing Rule 7.1A (23,035,675 Shares). Shareholder approval to ratify the issue of Shares under the Placement is the subject of Resolutions 1 and 2.

CPS Capital Group Pty Ltd (AFSL No. 294848) and Ironside Capital Pty Ltd (AFSL No 489781) (**Joint Lead Managers**) were engaged to act as lead managers to the Placement pursuant to a Joint Lead Managers Agreement. The Company has agreed to pay the Joint Lead Manager (or its nominee(s)) the following fees subject to completion of the Placement:

- (a) Joint Lead Manager Options: 16,000,000 Options on the terms and conditions set out in Schedule 1; and
- (b) Management and Placement Fees: 2% and 4% (plus GST) respectively of the amount raised under the Placement payable in cash (approximately \$336,000 plus GST).

The engagement of the Joint Lead Managers is otherwise on customary terms and conditions.

The issue of Options to the Joint Lead Managers (or their nominee(s)) is subject to Shareholder approval under Resolution 3.

2. Resolutions 1 and 2 – Ratification of a prior issue – Placement

2.1 General

Details of the Placement are set out in Section 1.

Resolutions 1 and 2 seeks Shareholder approval to ratify the issue of the Shares issued under the Placement.

2.2 Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (**Placement Capacity**).

2.3 Listing Rule 7.1A

ASX Listing Rule 7.1A provides that, in addition to issues 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 for which 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 (**Additional Issuance Capacity**).

The Company obtained the required Shareholder approval at its previous annual general meeting and has the Additional Issuance Capacity until its next annual general meeting (or such earlier date as determined by the ASX Listing Rules).

2.4 Listing Rule 7.4

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

2.5 Effect of the Resolution

The issue of the Shares did not fit within any of the exceptions from Listing Rule 7.1 and was not subject to prior Shareholder approval. The issue of the Shares the subject of Resolution 1 did not breach Listing Rule 7.1 but effectively used up the majority of the Placement Capacity under 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 their issue. The issue of the Shares the subject of Resolution 2 did not breach Listing Rule 7.1A but effectively used up the majority of the Additional Issuance Capacity under Listing Rule 7.1A.

By ratifying the issue of the Shares the subject of Resolutions 1 and 2, the Company will retain the flexibility to issue equity securities in the future up to the Placement Capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval and up to the Additional Issuance Capacity for the remainder of time that capacity remains valid (being up to its next annual general meeting or such earlier date as determined by the Listing Rules). The base figure (referred to as variable "A" in the formula in ASX Listing Rule 7.1) from which the Company's Placement Capacity and Additional Issuance Capacity is calculated, will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

If Resolution 1 is not passed, then the Company's Placement Capacity under Listing Rule 7.1 will not be refreshed and if Resolution 2 is not passed, then the Company's Additional Issuance Capacity under Listing Rule 7.1A will also not be refreshed. The resulting being that the Shares the subject of Resolutions 1 and 2 will continue to be included in calculating the Company's use of the 15% limit under Listing Rule 7.1 and 10% limit under Listing Rule 7.1A (while it remains valid), effectively decreasing the number of equity securities the Company can issue without prior Shareholder approval over the 12 month period following the date of their issue.

2.6 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 1 and 2.

2.7 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Shares were issued to sophisticated and professional investors introduced by the Joint Lead Managers, the allottees being determined in consultation with the Directors. None of the subscribers were a related party of the Company or an associate of any of them, or a party to whom an issue of equity securities requires Shareholder approval under ASX Listing Rule 10.11. None of the allottees was a person whose identity would be deemed to be material in terms of the criteria in ASX Listing Rules Guidance Note 21 (being members of Key Management Personnel, Company advisers, substantial shareholders, or associates of any of these parties, who were issued a number of shares equal to or greater than 1% of the Company's issued capital at the time);
- (b) the number of Shares issued was 56,000,000, comprised of:
 - (i) 32,964,325 under Resolution 1; and
 - (ii) 23,035,675 under Resolution 2;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 30 May 2024;
- (e) the Shares were issued at an issue price of \$0.10 each;
- (f) the Company received approximately \$5.6 million (before costs) from the issue of the Shares, which it is using to fund exploration costs on its existing projects, working capital and costs of the Joint Lead Managers; and
- (g) the Shares were issued pursuant to the Placement. The Company entered into an agreement with the Joint Lead Managers in relation to the Placement, the material terms of which are summarised at Section 1.

3. Resolution 3 – Issue of Options – Joint Lead Managers of Placement

3.1 General

Resolution 3 seeks Shareholder approval to issue Options to the Joint Lead Managers (or their nominee(s)) in relation to their engagement as lead managers of the Placement.

Details of the Placement are set out in Section 1.

3.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 2.2.

3.3 Effect of the Resolution

If Resolution 3 is passed, then the Company will be able to proceed with the issue of Options to the Joint Lead Managers (or their nominee(s)) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using up any part of the Company's Placement Capacity under ASX Listing Rule 7.1.

If Resolution 3 is not passed, the Company will need to agree alternative form of compensation to the Joint Lead Managers.

3.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3.

3.5 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Options will be issued to the Joint Lead Managers (or their nominee(s));
- (b) the maximum number of Options to be issued is 16,000,000;
- (c) the Options will be issued on the terms and conditions set out in Schedule 1;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Options will occur on the same date;
- (e) the Options will be issued for nominal cash consideration of \$0.00001 each, raising a nominal amount of \$160 which will be applied to working capital;

- (f) the purpose of the issue of the Options is as part of the compensation payable to the Joint Lead Managers for managing the Placement; and
- (g) the Options are being issued pursuant to the engagement of the Joint Lead Managers which is summarised at Section 1.

4. Resolutions 4 to 8 – Issue of Options to Related Parties

4.1 General

Resolutions 4 to 8 seek Shareholder approval for the issue of a total of 18,000,000 Options, consisting of 6,000,000 Options to Gary Harvey, 2,000,000 Options to David Lenigas, 3,000,000 Options to each to Blair Sergeant and Don Strang and 4,000,000 Options to Michael Griffiths (or their respective nominees) (together the **Related Parties**) (**Director Options**).

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Options constitutes the giving of a financial benefit. Each of the proposed grantees of the Director Options is a related party of the Company by reason of being a Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

Section 211 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is remuneration as an officer or employee of the company and to give remuneration would be reasonable given the circumstances of the company giving the remuneration and the related party's circumstances (including responsibilities involved in the office or employment).

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is required in respect of the issue of the Director Options to the Related Parties.

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered. The Directors do not have a material personal interest in these Resolutions, other than the Resolution to issue Director Options to himself. However, in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest, the Directors have not considered whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions, and as it is proposed that Director Options be issued to all Directors, they are unable to form a quorum at Board level to make a determination on whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions. Therefore, the Board has determined in accordance with section 195(4) of the Corporations Act to seek Shareholder approval for the issue of the Director Options.

4.3 Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in (a) to (c) above; or
- (e) a person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

As the issue of the Director Options constitutes the issue of equity securities to directors of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that none of the exceptions set out in ASX Listing Rule 10.12 apply in the current circumstances.

The Company therefore seeks the required Shareholder approval for the issue of the Director Options under and for the purposes of Listing Rule 10.11. There is a separate Resolution in respect of the issue of Director Options to each individual Director.

4.4 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (**Placement Capacity**).

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Director Options if approval is obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to each of the Directors, if approved, will not be included in the use of the Company's Placement Capacity pursuant to ASX Listing Rule 7.1.

4.5 Effect of the Resolutions

The effect of Resolutions 4 to 8 will be to allow the Company to issue the Director Options to the Director the subject of each Resolution that is passed.

If any or all of Resolutions 4 to 8 are not passed, the Company will not be able to proceed with the issue of Director Options to any proposed recipient of the Director Options in respect of whom the relevant Resolution has not been passed. In that case, the Company may have to consider alternatives in respect of the relevant Director's remuneration, which may include increasing his cash remuneration.

Resolutions 4 to 8 inclusive are ordinary resolutions. The Resolutions are not inter-conditional.

4.6 Board recommendation

Given the material personal interest of each other Director in the Resolution expressly relevant to him, and in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation on resolutions about each other's remuneration (as there may be a conflict of interest), the Directors do not consider it appropriate to give a recommendation on any of Resolutions 4 to 8.

4.7 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to the issue of the Director Options:

- (a) the securities will be issued to the Related Parties as follows:
 - (i) 6,000,000 Options to Gary Harvey (or his nominee/s);
 - (ii) 2,000,000 Options to David Lenigas (or his nominee/s);
 - (iii) 3,000,000 Options to Blair Sergeant (or his nominee/s);
 - (iv) 3,000,000 Options to Donald Strang (or his nominee/s); and
 - (v) 4,000,000 Options to Michael Griffiths (or his nominee/s);
- (b) each of the Related Parties falls within Listing Rule 10.11.1 by virtue of being a Director;
- (c) the maximum number of Director Options to be issued to each of the Related Parties is set out in paragraph (a);
- (d) the Director Options will be granted with an exercise price of \$0.15 each and an expiry date of 3 years after the date of issue and otherwise on the terms and conditions set out in Schedule 2;
- (e) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules), and it is intended that the Director Options will all be granted on the same date;
- (f) the Director Options will be issued for nil cash consideration. Accordingly no funds will be raised from the issue;
- (g) the Director Options are being offered as an incentive-based component of the relevant Director's remuneration package which is considered a cost-effective remuneration practice and will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given. In addition, it is considered that the grant of the Director Options will align the interests of the Directors with those of Shareholders;
- (h) the current total annual remuneration package of each of the Directors for the financial year ending 30 June 2024, each before the issue of the Director Options the subject of Resolutions 4 to 8, is as:

Gary Harvey

Salary/Fees	\$250,000 per annum
Superannuation	\$27,500 per annum
Total	\$277,500 per annum

Share based payments	<p>\$92,453</p> <p><i>Gary Harvey (or nominee) was issued with 2,000,000 Performance Rights in September 2021, 1,500,000 Performance Rights in June 2022 and 3,000,000 Options in December 2023. A portion of the value of these Performance Rights and Options is ascribed to the current financial year. Further detail on the value of these Performance Rights is set out in the Company's annual report for the financial year ended 30 June 2022 and the value of these Options is set out in the Notice of Meeting released on ASX on 30 October 2023.</i></p>
Equity Securities (subject to Shareholder approval of Resolution 4)	<p>6,000,000 Director Options</p> <p><i>Refer to the valuation of these Options at Section 4.8(d)</i></p>

David Lenigas

Salary/Fees	\$120,000 per annum (including superannuation)
Total	\$120,000 per annum
Share based payments	<p>\$39,600</p> <p><i>David Lenigas (or nominee) was issued with 3,000,000 Options in December 2023. A portion of the value of these Options is ascribed to the current financial year. Further detail on the value of these Options is set out in the Notice of Meeting released on ASX on 30 October 2023.</i></p>
Equity Securities (subject to Shareholder approval of Resolution 5)	<p>2,000,000 Director Options</p> <p><i>Refer to the valuation of these Options at Section 4.8(d)</i></p>

Blair Sergeant

Salary/Fees	\$45,000 per annum (including superannuation)
Total	\$45,000 per annum
Consulting Fees	\$1,500 per day (capped at \$15,000 per annum)
Share based payments	<p>\$69,798</p> <p><i>Blair Sergeant (or nominee) was issued with 700,000 Performance Rights in June 2021, 1,000,000 Performance Rights in June 2022 and 3,000,000 Options in December 2023. A portion of the value of these Performance Rights and Options is ascribed to the current financial year. Further detail on the value of these Performance Rights is set out in the Company's annual report for the financial year ended 30 June 2022 and the value of these Options is set out in the Notice of Meeting released on ASX on 30 October 2023.</i></p>
Equity Securities (subject to Shareholder approval of Resolution 6)	<p>3,000,000 Director Options</p> <p><i>Refer to the valuation of these Options at Section 4.8(d)</i></p>

Donald Strang

Salary/Fees	\$40,541 per annum
Superannuation	\$4,459 per annum
Total	\$45,000 per annum
Consulting Fees	\$1,500 per day (capped at \$15,000 per annum)
Share based payments	\$39,600 <i>Donald Strang (or nominee) was issued with 3,000,000 Options in December 2023. A portion of the value of these Options is ascribed to the current financial year. Further detail on the value of these Options is set out in the Notice of Meeting released on ASX on 30 October 2023.</i>
Equity Securities <i>(subject to Shareholder approval of Resolution 7)</i>	3,000,000 Director Options <i>Refer to the valuation of these Options at Section 4.8(d)</i>

Michael Griffiths

Salary/Fees	\$45,000 per annum (including superannuation)
Total	\$45,000 per annum
Consulting Fees	\$1,500 per day (capped at \$15,000 per annum)
Share based payments	Nil
Equity Securities <i>(subject to Shareholder approval of Resolution 8)</i>	4,000,000 Director Options <i>Refer to the valuation of these Options at Section 4.8(d)</i>

- (i) the Director Options are not being issued pursuant an agreement.

4.8 Technical information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information (in addition to the information provided in Section 4.7) is provided in relation to the issue of the Director Options the subject of Resolutions 4 to 8:

- (a) the Director Options will be issued to each of the Related Parties specified in Section 4.7(a);
- (b) the nature of the financial benefit being provided is the Director Options. The quantity and terms of the Director Options are set out in Sections 4.7(a) and 4.7(d);
- (c) each Director's interests in the Resolutions and the recommendation or reasons for not giving a recommendation on these Resolutions is set out in Section 4.6;
- (d) the value of the Options has been completed by internal management of the Company using the Trinomial Lattice option model and the assumptions set out below;

Assumption	Director Options
Valuation Date	06 June 2024
Exercise price	\$0.15
Share price	\$0.084
Term (years)	3 years from date of issue
Risk free interest rate	4.07%
Volatility (expected)	100%
Indicative Value (\$) (per Director Option)	\$0.034
Quantity	18,000,000
Value (\$) (Total)	\$613,800
Value (\$) (per Director)	
Gary Harvey	\$204,600
David Lenigas	\$68,200
Blair Sergeant	\$102,300
Donald Strang	\$102,300
Michael Griffiths	\$136,400
Total Value	\$613,800

- (e) as at the Disclosure Date, the relevant interests in securities of the Company of the Directors are set out below:

Director	Shares	Options	Performance Rights⁵
Gary Harvey ¹	2,063,636	3,000,000	3,500,000
David Lenigas ²	3,045,454	7,000,000	0
Blair Sergeant ³	2,658,251	3,000,000	1,700,000
Donald Strang ⁴	1,663,636	5,000,000	0
Michael Griffiths	Nil	Nil	Nil

Notes:

1. Performance Rights consisting of 250,000 Class A, 500,000 Class B, 750,000 Class C, 500,000 Class D, 375,000 Class E, 375,000 Class F, 375,000 Class G and 375,000 Class H and Options consisting of 1,000,000 exercisable at \$0.05 each on or before 1 December 2027, 1,000,000 exercisable at \$0.075 each on or before 1 December 2027 and 1,000,000 exercisable at \$0.10 each on or before 1 December 2027.
2. Options consisting of 4,000,000 exercisable at \$0.15 each on or before 30 September 2025, 1,000,000 exercisable at \$0.05 each on or before 1 December 2027, 1,000,000 exercisable at \$0.075 each on or before 1 December 2027 and 1,000,000 exercisable at \$0.10 each on or before 1 December 2027.
3. Performance Rights consisting of 100,000 Class A, 200,000 Class B, 200,000 Class C, 200,000 Class D, 250,000 Class E, 250,000 Class F, 250,000 Class G and 250,000 Class H and Options consisting of 1,000,000 exercisable at \$0.05 each on or before 1 December 2027, 1,000,000 exercisable at \$0.075 each on or before 1 December 2027 and 1,000,000 exercisable at \$0.10 each on or before 1 December 2027.

4. Options consisting of 2,000,000 exercisable at \$0.15 each on or before 30 September 2025, 1,000,000 exercisable at \$0.05 each on or before 1 December 2027, 1,000,000 exercisable at \$0.075 each on or before 1 December 2027 and 1,000,000 exercisable at \$0.10 each on or before 1 December 2027.
5. The Performance Rights are in the following classes with different vesting conditions:
 - Class A: 350,000: JORC compliant Inferred Resource of >250,000 oz gold or gold equivalent at the Laverton or South Telfer projects; expiry date: 25 June 2024
 - Class B: 700,000: JORC compliant Inferred Resource of >500,000 oz gold or gold equivalent at the Laverton or South Telfer projects; expiry date: 25 June 2024
 - Class C: 950,000: JORC compliant Inferred Resource of >1,000,000 oz gold or gold equivalent at the Laverton or South Telfer projects; expiry date: 25 June 2026
 - Class D: 700,000: Completion of a positive Scoping and/or Feasibility Study at Laverton or South Telfer projects; expiry date: 25 June 2026
 - Class E: 625,000: Company share price reaches \$0.30 based on a 20 day VWAP; vesting period: 5 years from date of grant; expiry date: 25 June 2027
 - Class F: 625,000: Company share price reaches \$0.35 based on a 20 day VWAP; vesting period: 5 years from date of grant; expiry date: 25 June 2027
 - Class G: 625,000: Company share price reaches \$0.40 based on a 20 day VWAP; vesting period: 5 years from date of grant; expiry date: 25 June 2027
 - Class H: 625,000: Company share price reaches \$0.50 based on a 20 day VWAP; vesting period: 5 years from date of grant; expiry date: 25 June 2027

- (f) the current total annual remuneration package from the Company to the Directors for the financial year ending 30 June 2024 is set out in Section 4.7(h);
- (g) if the Director Options are granted and are exercised, a total of 18,000,000 Shares would be issued. This would increase the number of Shares on issue from 288,305,680 to 306,305,680 with the effect that the shareholder of existing Shareholders would be diluted by an aggregate of approximately 5.88%, comprising approximately 1.96% for Gary Harvey, 0.65% for David Lenigas, 0.98% for each of Blair Sergeant and Don Strang and 1.31% for Michael Griffiths.

The market price for Shares during the term of the Director Options would normally determine whether a Director will elect to exercise any Director Options. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

The highest and lowest closing prices of the Shares on ASX during the 12 months preceding the Disclosure Date and the closing price on the Disclosure Date, are set out below:

	Price	Date
Highest	\$0.16	3 May 2024
Lowest	\$0.023	28 March 2024 and 2 April 2024
Last	\$0.095	4 June 2024

- (h) the Board acknowledges the grant of the Director Options to each of Messrs Strang, Sergeant and Griffiths, who are non-executive Directors, is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of the Director Options is reasonable in the circumstances for the reasons set out in paragraph (j);
- (i) the primary purpose of the grant of the Director Options is to provide an incentive component in their remuneration package to motivate and reward their performance in

their respective roles as Directors;

- (j) the Directors consider the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as:
 - (i) the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given;
 - (ii) the grant of the Director Options will align the interests of the Directors with those of Shareholders; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed.

In forming their reasoning and determining the quantity of Director Options to be granted each Director considered the experience and role of the Directors, the cash remuneration of the Directors, the price of Shares and the current market practices when determining the number of Director Options to be granted (relative to the prevailing trading price of Shares) and expiry date of those Director Options; and

- (k) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 to 8.

5. Resolution 9 – Issue of Options to employees and consultants

5.1 General

Resolution 9 seeks Shareholder approval to issue a total of 2,000,000 Options to employees and consultants of the Company (or their respective nominee/s).

5.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.4.

5.3 Effect of the Resolution

If Resolution 9 is passed, then the Company will be able to proceed with the issue of Options to the employees and consultants (or their nominee(s)) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using up any part of the Company's Placement Capacity under ASX Listing Rule 7.1.

If Resolution 7 is not passed, the Company will need to agree alternative form of compensation with the relevant employees and consultants.

5.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7.

5.5 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Options to the employees and consultants (or its nominee(s)):

- (a) the Options will be issued to certain employees or consultants of the Company (or their nominee(s));
- (b) the maximum number of Options to be issued is 2,000,000;

- (c) the Options will be issued on the same terms and conditions as the Director Options which are set out in Schedule 2;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Options will occur on the same date;
- (e) the Options will be issued for nil cash consideration, accordingly no funds will be raised;
- (f) the purpose of the issue of the Options is as incentives for the continued service by the employees and consultants moving forward; and
- (g) the Options are not being issued pursuant an agreement.

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.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Rincon Resources Limited (ACN 628 003 538).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director Options means the Options the subject of Resolutions 4 to 8 on the terms set out in Schedule 2.

Directors means the current directors of the Company.

Disclosure Date means 4 June 2024

Equity Securities means 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.

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

Joint Lead Manager Options means the Options the subject of Resolution 3 on the terms and conditions set out in Schedule 1.

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

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the capital raising announced by the Company on 22 May 2024 and completed on 30 May 2024 of circa \$5.6 million (before costs) through the issue of 56,000,000 Shares at \$0.10 per Share.

Joint Lead Managers means CPS Capital Group Pty Ltd (AFSL No. 294848) and Ironside Capital Pty Ltd (AFSL No 489781).

Performance Right means a performance right to subscribe for a Share.

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.

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

Schedule 1 – Terms and conditions of Joint Lead Managers Options

(a) **Entitlement**

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

(b) **Exercise price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date falling two (2) years after the date of issue of the Options (**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 and from the date of issue until 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 Options 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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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
- (ii) 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.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing 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. If a Cleansing Notice 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) **Reconstruction of capital**

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

(j) **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.

(k) **Change in Exercise Price or number of underlying securities**

Subject to paragraph (i), an Option does not confer a right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

An Option is transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Schedule 2 – Terms and conditions of Director Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three years from the date of issue of the Options (**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 and from the date of issue until 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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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;
- (ii) 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.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing 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. If a Cleansing Notice 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) **Reconstruction of capital**

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

(j) **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.

(k) **Change in exercise price or number of underlying securities**

Subject to paragraph (i), 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.

(l) **Transferability**

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

Proxy Voting Form

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

Your proxy voting instruction must be received by **11.00am (AWST) on Sunday, 28 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.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

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

PHONE:

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

