

28 June 2024

Dear Shareholder

**Extraordinary General Meeting – Notice and Proxy Form**

Notice is given that Torque Metals Limited (ACN 621 122 905) (**Company**) is convening an Extraordinary General Meeting (**Meeting**) of Shareholders on Monday, 29 July 2024, at 10:00am (WST). If you would like to attend it will be held at Level 3, 88 William Street, Perth WA 6000. If the above arrangements with respect to the Meeting change, shareholders will be updated via ASX Market Announcements Platform as well as the Company's website at <https://www.torquemetals.com/>.

**Notice of meeting**

In accordance with section 11D(1) of the Corporations Act 2001 (Cth) (Corporations Act), the Company will not be sending hard copies of the notice to shareholders unless a shareholder has requested a hard copy or made an election for the purposes of section 110E of the Corporations Act to receive documents from the Company in physical form. The notice can be viewed and downloaded from the Company's website at <https://www.torquemetals.com/asx-announcements/> or ASX at [www.asx.com.au/markets/company/tor](http://www.asx.com.au/markets/company/tor).

**Voting**

Shareholders are encouraged to participate in voting on the resolutions to be considered at the Meeting. To vote by proxy, please complete, sign and return your personalised proxy form in accordance with the instructions set out in the proxy form. Alternatively, you may vote online at <https://investor.automic.com.au/#/loginsah>, or in person by attending the Meeting.

Proxy form instructions (by proxy form or online voting) must be received by the Company's share registry by no later than 10:00am (WST) on Saturday, 27 July 2024. Instructions received after that time will not be valid for the meeting.

The Company encourages all shareholders to vote prior to the Meeting by returning their proxy voting instructions before the deadline and advises that all voting in respect of resolutions considered at the meeting will be conducted on a poll.

**Electronic Communications**

The Company encourages all shareholders to communicate with the Company by email at [admin@torquemetals.com](mailto:admin@torquemetals.com) and Automic (the Company's share registry) at [hello@automic.com.au](mailto:hello@automic.com.au). These methods allow the Company to keep you informed without delay, are environmentally friendly, and reduce the Company's print and mail costs.

Please register to receive electronic communications and update your shareholder details online at: <https://investor.automic.com.au/#/signup>.

For and on behalf of the Board

**Henko Vos**

Joint Company Secretary



**TORQUE METALS LIMITED**  
**ACN 621 122 905**

**NOTICE OF EXTRAORDINARY GENERAL MEETING AND  
EXPLANATORY STATEMENT**

**TIME:** 10.00am (WST)  
**DATE:** Monday, 29 July 2024  
**PLACE:** Level 3, 88 William Street, Perth WA 6000

This Notice of Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (8) 9463 2463.

As permitted by the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless the Shareholder has made a valid election to receive documents in hard copy. Instead, Shareholders can access a copy of the Notice at the following link:

<https://www.torquemetals.com/asx-announcements/>

### **How Shareholders Can Participate**

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10.00am (WST) on Saturday, 27 July 2024.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [admin@torquemetals.com](mailto:admin@torquemetals.com). Responses will be provided at the Meeting in respect of all valid questions received prior to 10.00am (WST) on Saturday, 27 July 2024. Shareholders who attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 (8) 9463 2463 or by email at [admin@torquemetals.com](mailto:admin@torquemetals.com) if they have any queries in relation to the Meeting arrangements.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at: <https://www.torquemetals.com/>.

## **IMPORTANT INFORMATION**

### **TIME AND PLACE OF MEETING**

Notice is given that the Extraordinary General Meeting of Torque Metals Limited (ACN 621 122 905) (**Company**) will be held at Level 3, 88 William Street, Perth WA 6000 on Monday, 29 July 2024 commencing at 10.00am (WST).

### **YOUR VOTE IS IMPORTANT**

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

### **VOTING ELIGIBILITY**

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 5.00pm (WST) on Saturday, 27 July 2024.

### **VOTING IN PERSON**

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

### **VOTING BY PROXY**

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chair as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. Instructions for lodging proxies are included on your personalised proxy form.

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 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:

- 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.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution or is otherwise required under section 250JA of the Corporations Act; and
- either of the following applies:
  - o the proxy is not recorded as attending the meeting; or
  - o the proxy does not vote on the resolution,

the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of the Shareholders of Torque Metals Limited (ACN 621 122 905) (**Company**) will be held at Level 3, 88 William Street, Perth WA 6000, commencing at 10.00am (WST) on Monday, 29 July 2024 to consider, and if thought fit, to pass the Resolutions set out below.

Terms used in this Notice of Meeting and accompanying Explanatory Statement are defined in the glossary to this document.

The Explanatory Statement which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the Extraordinary General Meeting.

### AGENDA

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#### 1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO VENDOR

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

*That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 5,000,000 Shares to Abeh Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Abeh Pty Ltd (or its respective nominee) 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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#### 2. RESOLUTION 2 – APPROVAL TO ISSUE SHARES TO VENDOR

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

*That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 200,000 Shares to Leslie McEvoy (or his nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Leslie McEvoy (or his nominee) 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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### 3. RESOLUTION 3 – APPROVAL TO ISSUE PERFORMANCE SHARES TO VENDOR

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

*That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 5,000,000 Performance Shares to Abeh Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Abeh Pty Ltd (or its nominee) 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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### 4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT (TRANCHE 1)

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 13,540,802 Shares issued under the Placement on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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**5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT (TRANCHE 2)**

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 15,305,352 Shares issued under the Placement on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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



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## 6. RESOLUTION 6 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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

*That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 14,423,077 Options to be issued on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in the issue 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 entity), or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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## 7. RESOLUTION 7 - DIRECTOR PARTICIPATION IN PLACEMENT – ANDREW WOSKETT

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

*That, pursuant to and in accordance with Listing Rule 10.11 and section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve, the issue of 230,769 Shares and 115,385 Options under the Placement to Andrew Woskett (or his nominee) for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Andrew Woskett 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 8. RESOLUTION 8 - DIRECTOR PARTICIPATION IN PLACEMENT - CRISTIAN MORENO

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

*That, pursuant to and in accordance with Listing Rule 10.11 and section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve, the issue of 76,923 Shares and 38,461 Options under the Placement to Cristian Moreno (or his nominee) for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Cristian Moreno 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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## 9. RESOLUTION 9 - DIRECTOR PARTICIPATION IN PLACEMENT – ANTONY LOFTHOUSE

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

*That, pursuant to and in accordance with Listing Rule 10.11 and section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve, the issue of 192,308 Shares and 96,154 Options under the Placement to Antony Lofthouse (or his nominee) for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Antony Lofthouse 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 entity) and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

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## 10. RESOLUTION 10 - ISSUE OF PERFORMANCE RIGHTS TO ANDREW WOSKETT

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

*That, pursuant to and in accordance with Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 4,500,000 Performance Rights under the Employee Securities Incentive Plan to Andrew Woskett (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Securities Incentive Plan and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting 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 Prohibition – Corporations Act:** A vote on this Resolution must not be cast by or on behalf of Andrew Woskett or his Associates. However, this does not prevent the casting of a vote on this Resolution if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Andrew Woskett or his Associates. Where the Chair is the related party that is the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the

Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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## 11. RESOLUTION 11 - ISSUE OF PERFORMANCE RIGHTS TO CRISTIAN MORENO

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

*That, pursuant to and in accordance with Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 12,500,000 Performance Rights under the Employee Securities Incentive Plan to Cristian Moreno (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Securities Incentive Plan and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting 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 Prohibition – Corporations Act:** A vote on this Resolution must not be cast by or on behalf of Cristian Moreno or his Associates. However, this does not prevent the casting of a vote on this Resolution if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Cristian Moreno or his Associates. Where the Chair is the related party that is the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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## 12. RESOLUTION 12 - ISSUE OF PERFORMANCE RIGHTS TO ANTONY LOFTHOUSE

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

*That, pursuant to and in accordance with Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 3,000,000 Performance Rights under the Employee Securities Incentive*

*Plan to Antony Lofthouse (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Securities Incentive Plan and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting 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 Prohibition:** A vote on this Resolution must not be cast by or on behalf of Antony Lofthouse or his Associates. However, this does not prevent the casting of a vote on this Resolution if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Antony Lofthouse or his Associates. Where the Chair is the related party that is the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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### 13. RESOLUTION 13 - ISSUE OF PERFORMANCE RIGHTS TO IMANTS KINS

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

*That, pursuant to and in accordance with Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 3,000,000 Performance Rights under the Employee Securities Incentive Plan to Imants Kins (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Securities Incentive Plan and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting 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 Prohibition – Corporations Act:** A vote on this Resolution must not be cast by or on behalf of Imants Kins or his Associates. However, this does not prevent the casting of a vote on this Resolution if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Imants Kins or his Associates. Where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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#### 14. RESOLUTION 14 – APPROVAL OF TERMINATION BENEFITS TO ANDREW WOSKETT

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

*That, subject to the passing of Resolution 10, for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the giving of potential termination benefits to Andrew Woskett (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company or any of its child entities who is entitled to participate in a termination benefit, and any Associate of those persons. However, the Company need not disregard a vote if:

- (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 acting 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 Prohibition – Corporations Act:** In accordance with section 200E(2A) and 200E(2B) of the Corporations Act, a vote must not be cast in favour of this Resolution (in any capacity) by or on behalf of Andrew Woskett or his Associates. However, this does not prevent the casting of a vote on this Resolution if it cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of Andrew Woskett or his Associates.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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## 15. RESOLUTION 15 – APPROVAL OF TERMINATION BENEFITS TO CRISTIAN MORENO

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

*That, subject to the passing of Resolution 11 for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve giving of potential termination benefits to Cristian Moreno (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company or any of its child entities who is entitled to participate in a termination benefit, and any Associate of those persons. However, the Company need not disregard a vote if:

- (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 acting 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 Prohibition – Corporations Act:** In accordance with section 200E(2A) and 200E(2B) of the Corporations Act, a vote must not be cast in favour of this Resolution (in any capacity) by or on behalf of Cristian Moreno or his Associates. However, this does not prevent the casting of a vote on this Resolution if it cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of Cristian Moreno or his Associates.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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## 16. RESOLUTION 16 – APPROVAL OF TERMINATION BENEFITS TO ANTONY LOFTHOUSE

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

*That, subject to the passing of Resolution 12, for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the giving of potential termination benefits to Antony Lofthouse (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company or any of its child entities who is entitled to participate in a termination benefit, and any Associate of those persons. However, the Company need not disregard a vote if:

- (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 acting 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 Prohibition – Corporations Act:** In accordance with section 200E(2A) and 200E(2B) of the Corporations Act, a vote must not be cast in favour of this Resolution (in any capacity) by or on behalf of Antony Lofthouse or his Associates. However, this does not prevent the casting of a vote on this Resolution if it cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of Antony Lofthouse or his Associates.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a



Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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## 17. RESOLUTION 17 – APPROVAL OF TERMINATION BENEFITS TO IMANTS KINS

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

*That, subject to the passing of Resolution 13, for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the giving of potential termination benefits to Imants Kins (or his nominee), on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company or any of its child entities who is entitled to participate in a termination benefit, and any Associate of those persons. However, the Company need not disregard a vote if:

- (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 acting 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 Prohibition – Corporations Act:** In accordance with section 200E(2A) and 200E(2B) of the Corporations Act, a vote must not be cast in favour of this Resolution (in any capacity) by or on behalf of Imants Kins or his Associates. However, this does not prevent the casting of a vote on this Resolution if it cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of Imants Kins or his Associates.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on this Resolution by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a member of the Key Management Personnel if the member is the Chair of the Meeting acting as proxy and their appointment expressly authorised the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

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**18. RESOLUTION 18 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BLUE SPEC DRILLING**

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 1,329,121 Shares issued to Blue Spec Drilling Pty Ltd on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by Blue Spec Drilling Pty Ltd and any other person who participated in the issue and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on 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 acting 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.

**Dated: 19 June 2024**

**By order of the Board**

**Henko Vos  
Joint Company Secretary**

## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Extraordinary General Meeting of the Company to be held on Monday, 29 July 2024 at Level 3, 88 William Street, Perth WA 6000 commencing at 10.00 am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company Secretary, your accountant, solicitor, stockbroker or other professional advisor before voting.

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### 1. RESOLUTIONS 1 TO 3 – ISSUE OF SHARES AND PERFORMANCE SHARES TO VENDORS

#### 1.1 Background

As announced to ASX on 15 May 2024, the Company has entered into option agreements (**Agreements**) with Abeh Pty Ltd and its associates (**Abeh**) and Mr Leslie McEvoy (**McEvoy**), together with Abeh, the **Vendors**) pursuant to which the Vendors have each granted the Company an option (**Option**) to be transferred a 100% legal and beneficial interest in mining tenements (**Tenements**) in the Western Australian Goldfields which are proximate to the Company's existing Penzance Project. Under the Agreements, the grant of the Option and the exercise of the Option over the Tenements is exercisable in stages, subject to the requirements of the *Mining Act 1971* (WA).

On exercise of the Stage 1 Option under the Agreements, the Company has agreed to pay the Vendors, the following consideration:

- (a) to Abeh:
  - (i) 5 million Shares (**Abeh Shares**);
  - (ii) 5 million Performance Shares (**Abeh Performance Shares**); and
  - (iii) 2% net smelter return royalty on all minerals recovered from the Tenements; and
- (b) to McEvoy:
  - (i) 200,000 Shares (**McEvoy Shares**); and
  - (ii) 2% net smelter return royalty on all minerals recovered from the Tenements.

No further consideration is payable on exercise of the Stage 2 Option under the Agreements.

In the event that the Company exercises the Stage 1 Option to acquire the Tenements:

- (a) Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Abeh Shares to Abeh;
- (b) Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the McEvoy Shares to McEvoy; and
- (c) Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Abeh Performance Shares to Abeh.

For the purposes of sections 4.2, 1.3 and 1.4 of this Explanatory Statement the Abeh Shares, McEvoy Shares and Abeh Performance Shares are collectively referred to as the **Vendor Securities**.

## 1.2 Regulatory Requirements

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.

The issues of the Vendor Securities do not fit within any of these exceptions and as they have not yet been approved by Shareholders, they will effectively use up part of the Company's 15% limit in Listing Rule 7.1. This will reduce the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the Vendor Securities. Accordingly, the Company seeks Shareholder approval for the issues of the Vendor Securities under Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Abeh Shares.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the McEvoy Shares.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Abeh Performance Shares.

If any of Resolutions 1 to 3 are passed, the issue of Vendor Securities under that Resolution will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Vendor Securities under the relevant Resolution.

If any of Resolutions 1 to 3 are not passed, the Company will only be able to proceed with the issue of the Vendor Securities (which are the subject of the relevant Resolution which is not passed), to the extent that the Company has the capacity under Listing Rule 7.1 to issue those securities at the time of the proposed issue.

## 1.3 Resolutions 1 to 3 – Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 1 to 3:

(a) **Identify the persons to whom securities are to be issued**

The Abeh Shares and Abeh Performance Shares are to be issued to Abeh (or its nominee).

The McEvoy Shares are to be issued to McEvoy (or his nominee).

None of the Vendors are material investors in the Company<sup>1</sup> or related parties of the Company, however the Company understands that some of the Vendors may hold a nominal number of securities in the Company.

(b) **The number and class of securities issued or agreed to be issued**

5,000,000 Shares and 5,000,000 Performance Shares are proposed to be issued to Abeh (or its nominee) pursuant to Listing Rule 7.1.

200,000 Shares are proposed to be issued to McEvoy (or his nominee) pursuant to Listing Rule 7.1.

(c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The Abeh Shares and McEvoy Shares will be fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's

<sup>1</sup> ASX consider the following to be material investors:

(i). a related party of the entity;  
(ii). a member of the entity's Key Management Personnel;  
(iii). a substantial holder in the entity;  
(iv). an adviser to the entity; or  
(v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

existing Shares. The Abek Shares will be subject to a period of 6 months escrow from the date of issue. The McEvoy Shares will be subject to a period of 6 months escrow from the date of issue.

The Abek Performance Shares will be issued on the terms set out in Schedule 1.

(d) **Issue Date**

The Vendor Securities will be issued within 5 business days of the Company choosing to exercise the Stage 1 Option, and in any event within 3 months of the date of the Meeting.

(e) **Issue Price**

The Vendor Securities are proposed to be issued for a nil issue price, as the issue is as consideration for the exercise of the Stage 1 Option under the Agreements.

(f) **Purpose of the issue**

The Vendor Securities are to be issued as consideration on the exercise of the Option to acquire the Tenements from the Vendors pursuant to the terms of the Agreements.

A summary of the material terms of the Agreements is set out in Schedule 2.

(g) **Voting exclusion statement**

A voting exclusion statement for Resolutions 1 to 3 is included in the Notice of Meeting preceding this Explanatory Statement.

#### 1.4 **Board Recommendation**

The Board recommends that Shareholders vote in favour of each of Resolutions 1 to 3.

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## 2. **BACKGROUND – RESOLUTIONS 4 TO 9**

### **Placement**

On 21 March 2024, the Company announced to ASX that it had undertaken a placement (**Placement**) to raise \$3.75 million (before costs) through the issue of 28,846,154 Shares (**Placement Shares**) at an issue price of \$0.13 per Placement Share with investors also to receive one (1) free attaching unlisted option for every two (2) new Placement Shares subscribed (**Placement Options**), subject to shareholder approval. The Placement Options will be exercisable at \$0.25 each and expire on 7 May 2026.

The Placement was lead managed by Euroz Hartleys Limited and Evolution Capital Pty Ltd (**Joint Lead Managers**).

The Placement Shares were issued on 2 April 2024 in two tranches under the Company's Listing Rule 7.1 and 7.1A placement capacity, as follows:

- (a) 13,540,802 Placement Shares issued using the Company's capacity under Listing Rule 7.1 (**Tranche 1**); and
- (b) 15,305,352 Placement Shares issued using the Company's capacity under Listing Rule 7.1A (**Tranche 2**).

Resolution 4 seeks approval from Shareholders to ratify the issue of the Placement Shares in Tranche 1 pursuant to Listing Rule 7.4. Resolution 5 seeks approval from Shareholders to ratify the issue of the Placement Shares in Tranche 2 pursuant to Listing Rule 7.4.

The Company seeks approval from Shareholders in Resolution 6 to issue the Placement Options pursuant to Listing Rule 7.1.

### **Director Participation in Placement**

Three of the Company's Directors, Andrew Woskett, Antony Lofthouse and Cristian Moreno, agreed to participate in the Placement, on the same terms, subject to Shareholder approval to raise a further \$65,000 via the issue of a further 500,000 Placement Shares at an issue price of \$0.13 per Placement Share. The Company seeks Shareholder approval pursuant to

Listing Rule 10.11 in Resolutions 7 to 9 (inclusive) for these Directors to participate in the Placement.

### **3. RESOLUTIONS 4 AND 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT**

Resolutions 4 and 5 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares, that were issued without Shareholder approval using the Company's capacity under Listing Rule 7.1 and 7.1A (as applicable).

#### **3.1 Regulatory Requirements**

Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.1 and 7.1A provide that, 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% (under Listing Rule 7.1) and an additional 10% (under Listing Rule 7.1A) of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issues of the Placement Shares do not fit within any of the exceptions and, as they have not yet been approved by Shareholders, the issues effectively use up part of the 15% limit in Listing Rule 7.1 (Tranche 1) and the 10% limit in Listing Rule 7.1A (Tranche 2), reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A (as applicable) for the 12-month period following the date of issue of the Placement Shares.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The Company confirms that in issuing the Placement Shares, the Company did not breach Listing Rules 7.1 or 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1 and 7.1A. Accordingly, under Resolution 4, the Company seeks from Shareholders approval for, and ratification of, the issue of 13,540,802 Tranche 1 Placement Shares under Listing Rule 7.4. Under Resolution 5, the Company seeks from Shareholders approval for, and ratification of the issue of 15,305,352 Tranche 2 Placement Shares under Listing Rule 7.4.

If Resolution 4 is passed, the issue of the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If Resolution 4 is not passed, the issue of the Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If Resolution 5 is passed, the issue of the Tranche 2 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 2 Placement Shares.

If Resolution 5 is not passed, the issue of the Tranche 2 Placement Shares will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number

of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 2 Placement Shares.

### 3.2 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 4 and 5:

(a) **Identity of the persons to whom securities were issued**

The Tranche 1 and Tranche 2 Placement Shares were issued to sophisticated and professional investors that were introduced to the Company by the Joint Lead Managers. None of the sophisticated and professional investors are a related party of the Company or material investor.<sup>2</sup>

(b) **The number and class of securities issued or agreed to issue**

A total of 28,846,154 Shares comprised the Placement Shares.

13,540,802 Shares were issued using the Company's capacity under Listing Rule 7.1, the ratification of which is the subject of Resolution 4 (Tranche 1).

15,305,352 Shares were issued using the Company's capacity under Listing Rule 7.1A, the ratification of which is the subject of Resolution 5 (Tranche 2).

(c) **A summary of the material terms of the securities**

The Tranche 1 and Tranche 2 Placement Shares 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) **Issue date**

Tranche 1 and Tranche 2 of the Placement Shares were issued on 2 April 2024.

(e) **Issue price**

The issue price was \$0.13 per Placement Share for each Share issued under Tranche 1 and Tranche 2.

(f) **Purpose of the issue**

The funds raised via the Placement will be primarily applied to drive exploration at the New Dawn Lithium and the Paris Gold projects and to supplement existing working capital.

(g) **Relevant Agreement**

The Tranche 1 and Tranche 2 Placement Shares were not issued under any agreement.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolutions 4 and 5 is included in the Notice of Meeting preceding this Explanatory Statement.

### 3.3 Board Recommendation

The Board recommends that Shareholders vote in favour of each of Resolutions 4 and 5.

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<sup>2</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

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## 4. RESOLUTION 6 – APPROVAL TO ISSUE PLACEMENT OPTIONS

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Placement Options.

### 4.1 Regulatory Requirements

Listing Rule 7.1, subject to specific exceptions, limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Placement Options does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. The issue of the Placement Options therefore requires approval of the Company's Shareholders under Listing Rule 7.1. To that end, Resolution 6 seeks the required Shareholder approval for the issue of the Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of Placement Options to the Placement participants and the issue of the Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Options. Further, if all of the Placement Options are issued and exercised before the expiry date, the Company has the potential to raise up to \$3,605,769.25 from the exercise of those Placement Options.

If Resolution 6 is not passed, unless the Company otherwise has the capacity under Listing Rule 7.1, the Company will not be able to proceed with the issue of the Placement Options and consequently, the Company will not potentially raise up to \$3,605,769.25 on the exercise of Placement Options.

### 4.2 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

(a) **Identity of the persons to whom securities were issued**

The Placement Options are proposed to be issued to the Placement participants, being various sophisticated professional and sophisticated investors identified by the Joint Lead Managers. None of the sophisticated and professional investors are a related party of the Company or material investor.<sup>3</sup>

(b) **The number and class of securities issued or agreed to issue**

A total of 14,423,077 Placement Options are to be issued, being options to subscribe for Shares.

(c) **A summary of the material terms of the securities**

The Placement Options are unlisted options, exercisable at \$0.25 each and expiring on 7 May 2026.

The material terms of the Placement Options are outlined in Schedule 3.

(d) **Issue date**

The Company anticipates that the Placement Options will be issued on a date shortly following the conclusion of the Meeting, and in any event no later than 3 months after the date of the Meeting.

(e) **Issue price**

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<sup>3</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.



The Placement Options will be issued at a nil issue price, being free attaching options to the Placement Shares. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options).

(f) **Purpose of the issue**

The purpose of the issue of the Placement Options is to incentivise participation in the Placement.

If all of the Placement Options are exercised prior to expiry, the Company will raise up to \$3,605,769.25. If this is the case, the Company anticipates it will use those funds for working capital purposes as required at the time.

(g) **Relevant Agreement**

The Placement Options will not be issued under any agreement.

(h) **Voting exclusion**

A voting exclusion statement for Resolution 6 is included in the Notice of Meeting preceding this Explanatory Statement.

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## 5. RESOLUTIONS 7 TO 9 - DIRECTOR PARTICIPATION IN PLACEMENT – ANDREW WOSKETT, CRISTIAN MORENO AND ANTONY LOFTHOUSE

### 5.1 Background

The Company has received commitments from three of its Directors, Mr Andrew Woskett (Non-Executive Chair), Mr Cristian Moreno (Managing Director) and Mr Antony Lofthouse (Non-Executive Director), to raise a further \$65,000 (before costs) in addition to the funds raised from investors under the Placement. The Company proposes to issue 500,000 Shares on the same terms as the Placement, as follows:

- (a) 230,769 Shares to Mr Andrew Woskett;
- (b) 76,923 Shares to Mr Cristian Moreno; and
- (c) 192,308 Shares to Mr Antony Lofthouse,

at an issue price of \$0.13 per Share (**Director Placement Shares**).

Mr Woskett, Mr Moreno and Mr Lofthouse will also receive 1 (one) free attaching unlisted option for every (2) two Director Placement Shares subscribed for, as follows:

- (a) 115,385 options to Mr Andrew Woskett;
- (b) 38,461 options to Mr Cristian Moreno; and
- (c) 96,154 options to Mr Antony Lofthouse,

each exercisable at \$0.25 with an expiry of 7 May 2026 (**Director Placement Options**, together with the Director Placement Shares, **Director Placement**).

Resolutions 7 to 9 (inclusive) seek the approval of the Shareholders for the issue of Director Placement Shares and Director Placement Options to Messrs Woskett, Moreno and Lofthouse respectively.

### 5.2 Regulatory Requirements

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a related party without the approval of ordinary shareholders. A “related party”, for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the Directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolutions 7 to 9 (inclusive) propose the issue of up to 500,000 Director Placement Shares and 250,000 Director Placement Options under the Director Placement to the Directors, who are related parties of the Company by virtue of their directorships.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

If any of Resolutions 7 to 9 are passed, the Director that is the subject of the relevant Resolution that is passed will be able to participate in the Director Placement and subscribe for the number of Placement Shares and Placement Options as applicable to that Director as set out at section 5.1 above.

If any of Resolutions 7 to 9 are not passed, the Director that is the subject of the relevant Resolution that is not passed will not be able to participate in the Director Placement and will not be issued Director Placement Shares or Director Placement Options.

### 5.3 Technical information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 7 to 9:

(a) **Name of person to receive securities**

The securities to be issued under Resolution 7 are to be issued to Mr Andrew Woskett (or his nominee).

The securities to be issued under Resolution 8 are to be issued to Mr Cristian Moreno (or his nominee).

The securities to be issued under Resolution 9 are to be issued to Mr Antony Lofthouse (or his nominee).

(b) **Nature of relationship between person to receive securities and the Company**

Each of Messrs Woskett, Moreno and Lofthouse is a Director and is, as such, a person who falls within Listing Rule 10.11.1.

(c) **Maximum number and class of securities to be issued**

The maximum number of Securities to be issued to related parties is outlined in the table below.

Name	Subscription Price	Director Placement Shares <small>(Based on an issue price of \$0.13 each)</small>	Director Placement Options
Mr Andrew Woskett	\$30,000	230,769	115,384
Mr Cristian Moreno	\$10,000	76,923	38,461
Mr Antony Lofthouse	\$25,000	192,308	96,154

(d) **Material terms of the securities**

The Director Placement Shares are fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares and on the same terms as the Placement Shares.

The Director Placement Options are unlisted options, exercisable at \$0.25 each and expiring on 7 May 2026.

The material terms of the Director Placement Options are set out in Schedule 3.

- (e) **Date of issue**
- The Company will issue the securities under Resolutions 7 to 9 as soon as possible after the date of the Meeting and in any event within a month of the Meeting.
- (f) **Issue price or other consideration**
- The Director Placement Shares will be issued at \$0.13 per Share, being the same issue price as the Placement Shares.
- The Director Placement Options will be issued at a nil issue price, being free attaching options to the Director Placement Shares.
- (g) **Purpose of the issue, including the intended use of the funds raised**
- The purpose of the issue of the Director Placement securities is to allow Messrs Woskett, Moreno and Lofthouse as Directors of the Company to participate in the Placement and for the Company to raise a further \$65,000.
- The Director Placement securities are not being issued to incentivise Messrs Woskett, Moreno and Lofthouse.
- The funds raised via the Placement (including the Director Placement) will be primarily applied to drive exploration at the New Dawn Lithium and the Paris Gold projects and to supplement existing working capital.
- (h) **Relevant agreement**
- The Director Placement securities are not to be issued under any agreement.
- (i) **Voting exclusion statement**
- A voting exclusion statement for Resolutions 7 to 9 (inclusive) is included in the Notice of Meeting preceding this Explanatory Statement.

#### **5.4 Section 195(4) Corporations Act**

Three of the Directors have a material personal interest in the outcome of Resolutions 7 to 9 (as applicable to each Director) in this Notice of Meeting by virtue of the fact that Resolutions 7 to 9 are concerned with the issue of securities to those Directors.

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered.

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

#### **5.5 Chapter 2E - Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act and includes the directors of the Company. As such, the Directors are related parties of the Company for the purposes of section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial

benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party. Accordingly, the issue of the securities under Resolutions 7 to 9 (inclusive) constitutes the provision of a financial benefit to a related party.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm's length (or on terms less favourable than arm's length).

Approval is not being sought under Chapter 2E of the Corporations Act for Resolutions 7 to 9 (inclusive) as it is the view of the Board that the issue of the securities by the Company to the Directors is being made on an arm's length basis as the securities are on the same terms as the securities issued to sophisticated and professional investors under the Placement.

## **5.6 Board Recommendation**

The Board has only considered the issue of the securities under Resolutions 7 to 9 (inclusive) for the purposes of section 195(4) of the Corporations Act, given the fact the Directors have a personal interest in the outcome of the Resolutions. For this reason, the Board declines to make a recommendation to Shareholders with respect to Resolutions 7 to 9 (inclusive).

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## **6. RESOLUTIONS 10 TO 13 - ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS - ANDREW WOSKETT, CRISTIAN MORENO, ANTONY LOFTHOUSE AND IMANTS KINS**

### **6.1 Background**

Shareholders are being asked to approve Resolutions 10 to 13 (inclusive) to issue performance rights under the Employee Securities Incentive Plan (**Plan**) to the Directors Andrew Woskett, Cristian Moreno, Antony Lofthouse and Imants Kins (**Director Performance Rights**) as set out below.

The Company has agreed, subject to Shareholder approval, to issue a total of 23,000,000 Performance Rights to the Directors of the Company (or their respective nominees) pursuant to the Plan.

The key terms and conditions of the Director Performance Rights (including the vesting conditions to be satisfied) are summarised in Schedule 4.

As Shareholder approval is being sought under Listing Rule 10.14, approval is not also required under Listing Rule 7.1.

### **6.2 Regulatory Requirements**

Resolutions 10 to 13 seek Shareholder approval in order to comply with the requirements of Listing Rule 10.19 and sections 195(4) and 208 of the Corporations Act.

Resolutions 10 to 13 (as applicable to each Director) are not conditional on the passing of Resolutions 14 to 17 (as applicable to each Director). However, as set out in section 7.1, Resolutions 14 to 17 (as applicable to each Director) are conditional on the passing of Resolutions 10 to 13 (as applicable to each Director).

### **6.3 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- (a) a director of the entity;
- (b) an associate of a director of the entity; or
- (c) a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Director Performance Rights to the Directors falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 10 to 13 (inclusive) seek the required Shareholder approval to the issue of the Director Performance Rights under and for the purposes of Listing Rule 10.14.

If any of Resolutions 10 to 13 (inclusive) are passed, the Company will be able to proceed with the issue of the Director Performance Rights the subject of the respective Resolution which is passed.

If any of Resolutions 10 to 13 (inclusive) are not passed, the Company will not be able to proceed with the issue of the Director Performance Rights the subject of the respective Resolution which is not passed.

However, each of Resolutions 10 to 13 (inclusive) are not dependent on the other Resolutions being passed.

Further, if Resolution 11 is passed, the Company's Managing Director Mr Cristian Moreno has agreed to have 5,000,000 of his Class A Performance Rights cancelled for no consideration. If Resolution 11 is not passed, the cancellation will not occur.

#### **6.4 Technical information required by Listing Rule 10.15**

In compliance with the information requirements of Listing Rule 10.15, Shareholders are advised of the following information in relation to Resolutions 10 to 13:

(a) **Nature of relationship between person to receive securities and the Company**

The Director Performance Rights will be issued to the following persons:

- (i) Andrew Woskett (or his nominee) pursuant to Resolution 10;
- (ii) Cristian Moreno (or his nominee) pursuant to Resolution 11;
- (iii) Antony Lofthouse (or his nominee) pursuant to Resolution 12; and
- (iv) Imants Kins (or his nominee) pursuant to Resolution 13,

each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director.

(b) **Maximum number of securities that may be acquired pursuant to the Resolution**

The maximum number of Director Performance Rights to be issued to the Directors is 23,000,000 comprising:

- (i) 2,000,000 Class B Performance Rights and 2,500,000 Performance Rights to be issued in a new class H (**Class H**) to Andrew Woskett (or his nominee) pursuant to Resolution 10;
- (ii) 5,000,000 Class B Performance Rights and 7,500,000 Class H Performance Rights to Cristian Moreno (or his nominee) pursuant to Resolution 11;
- (iii) 1,500,000 Class B Performance Rights and 1,500,000 Class H Performance Rights to Antony Lofthouse (or his nominee) pursuant to Resolution 12; and
- (iv) 1,500,000 Class B Performance Rights and 1,500,000 Class H Performance Rights to Imants Kins (or his nominee) pursuant to Resolution 13.

(c) **Issue price**

The Performance Rights will be issued for nil consideration and accordingly no funds will be raised from the issue.

(d) **Previous issues under the Plan**

The following securities have been previously issued to the Directors under the Plan:

Name	Securities issued under the Plan	Issue date
Andrew Woskett	1,000,000 Class A Performance Rights 1,000,000 Class B Performance Rights	28/04/2023 28/04/2023
Cristian Moreno	1,000,000 Class A Performance Rights 1,000,000 Class B Performance Rights 5,000,000 Class A Performance Rights	28/04/2023 28/04/2023 14/11/2023
Antony Lofthouse	Nil	N/A
Imants Kins	Nil	N/A

The Performance Rights issued to the Directors were issued for no consideration. Accordingly, no funds will be raised from the exercise of the Performance Rights.

(e) **Director's current total remuneration package**

Details of the remuneration of the Directors, including their related entities, is as follows:

Name	Total remuneration of Directors for the financial year ended 30 June 2023 \$			Total remuneration of Directors for the current financial year \$		
	Salary <sup>1</sup>	Performance Rights	Options	Salary <sup>1</sup>	Performance Rights	Options
Andrew Woskett	\$22,200 <sup>2</sup>	\$71,024	nil	\$92,125	nil	nil
Cristian Moreno	\$266,441	\$124,772	nil	\$339,065	\$427,000	nil
Antony Lofthouse	\$67,678	\$63,122	nil	\$83,250	nil	nil
Imants Kins <sup>3</sup>	nil	nil	nil	\$30,312	nil	nil

Notes:

1. Includes annual leave, superannuation, bonuses and other benefits
2. Andrew Woskett was appointed as a Non-executive Director on 1 March 2023
3. Imants Kins was appointed as a Non-executive Director on 17 January 2024

(f) **Material terms of the Performance Rights**

A summary of the material terms of the Director Performance Rights is provided for in Schedule 4 to this Notice.

(g) **Use of Performance Rights**

The Company is issuing Performance Rights as a cost effective, non-cash incentive in an effort to incentivise the Directors, as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

The issue of the Performance Rights is designed to achieve this objective by encouraging continued improvement in performance over time.

The Board believes that the grant of Performance Rights:

- (i) will align the interests of the Directors with those of Shareholders;

- (ii) is a reasonable and appropriate method to provide cost-effective remuneration as 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 to the Directors; and
  - (iii) the Company does not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.
- (h) **Value attributed to the Performance Rights**
- The valuation of the Director Performance Rights is set out in Schedule 6.
- (i) **Issue date**
- The Company will issue the Performance Rights under this Resolution as soon as possible after the date of the Meeting and in any event within one month of the Meeting.
- (j) **Summary of material terms of the Plan**
- A summary of the material terms of the Plan is provided for in Schedule 5 to this Notice.
- (k) **Eligible participants under the Plan**
- Under the Plan, Performance Rights may be issued to the Directors (or their nominees). Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolutions 10 to 13 (inclusive) are approved and who are not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.
- (l) **Loan**
- No loans have or will be made by the Company in connection with the proposed issue of the Director Performance Rights.
- (m) **Voting exclusion statement**
- A voting exclusion statement for Resolutions 10 to 13 (inclusive) is included in the Notice of Meeting preceding this Explanatory Statement.

Details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.

## **6.5 Section 195(4) Corporations Act**

Each of the Directors has a material personal interest in the outcome of Resolutions 10 to 13 (as applicable to each Director) in this Notice of Meeting by virtue of the fact that Resolutions 10 to 13 are concerned with the issue of Performance Rights to Directors.

Section 195(1) of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered.

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

## 6.6 Section 208 Corporations Act

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act, and includes the directors of the company. As such, the Directors of the Company are related parties of the Company for the purposes of section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

The issue of the Performance Rights under Resolutions 10 to 13 constitute the provision of a financial benefit to a related party.

In compliance with the information requirements of section 219 of the Corporations Act, Shareholders are advised of the information below. Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 10 to 13.

(a) **Identity of the related parties to whom Resolutions permit financial benefits to be given**

The Director Performance Rights are proposed to be issued to the Directors, who are all related parties of the Company.

(b) **Nature of the financial benefit**

Resolutions 10 to 13 seek approval from Shareholders to allow the Company to issue a total of 23,000,000 Director Performance Rights to Messrs Woskett, Moreno, Lofthouse and Kins for nil consideration.

Schedule 4 of this Notice of General Meeting sets out the key terms and conditions of the Director Performance Rights including the vesting conditions and expiry date of the Performance Rights.

The Shares to be issued upon vesting of the Director Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company’s existing Shares and will rank equally in all respects with the Company’s existing Shares. The Company will apply for official quotation of the Shares on ASX.

The issue of Director Performance Rights can be considered as a cost effective and efficient means to provide incentive to its personnel as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure and retain employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The issue of the Director Performance Rights is consistent with this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Company reviewed the practices of other companies of a similar size and stage of development to determine the number of Director Performance Rights required to be issued to attract and retain senior Directors. Based on that review, the Board determined the number of Director Performance Rights proposed in Resolutions 10 to 13 to be appropriate. The Board does not however make any recommendation as to how Shareholders should vote on Resolutions 10 to 13.



(c) **Valuation of financial benefit**

The indicative fair value of the Director Performance Rights, including the valuation methodology and relevant assumptions, is set out at Schedule 6.

(d) **Dilution**

If all of the Director Performance Rights vest and are exercised, the effect will be to dilute the holdings of Shares of other Shareholders. The issue of the Director Performance Rights in Resolutions 10 to 13 will in aggregate be equal to approximately 11.15% of the Company's diluted Share capital in the event that all of the Shares the subject of this Notice are issued, and all of the Director Performance Rights granted pursuant to Resolutions 10 to 13 vest and are exercised, resulting in a total of 206,228,798 Shares on issue.

(e) **Interests of the Directors in the Company**

The direct and indirect interests of the Directors as at the date of this Notice of Meeting is as follows:

Name	Shares	Options	Performance Rights
Andrew Woskett	541,666	-	1,000,000 Class A 1,000,000 Class B
Cristian Moreno	538,760	-	6,000,000 Class A 1,000,000 Class B 1,000,000 Class C 1,000,000 Class D
Antony Lofthouse	691,666	100,000 <sup>4</sup>	1,000,000 Class A 1,000,000 Class B
Imants Kins	583,334	-	-

(f) **Remuneration of Directors**

Details of the remuneration of the Directors, including their related entities, is set out at section 6.4(e) above.

(g) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.38 on 18 October 2023

Lowest: \$0.12 on 3 April 2024

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.195 per Share on 4 June 2024.

(h) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Performance Rights (including fringe benefits tax).

<sup>4</sup> Exercisable at \$0.25 each and expiring on 7 May 2026.

## **6.7 Board Recommendation**

The Board has only considered the issue of the Performance Rights under Resolutions 10 to 13 (inclusive) for the purposes of section 195(4) of the Corporations Act, given the fact the Directors have a personal interest in the outcome of the Resolutions. For this reason, the Board declines to make a recommendation to Shareholders with respect to Resolutions 10 to 13 (inclusive).

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## **7. RESOLUTIONS 14 TO 17 – APPROVAL TO GIVE TERMINATION BENEFITS TO DIRECTORS**

### **7.1 Background**

Resolutions 14 to 17 (inclusive) seek Shareholder approval to give potential termination benefits to the Directors in connection with the issue of the Director Performance Rights, the subject of Resolutions 10 to 13 (inclusive).

Resolution 14 seeks Shareholder approval to give potential termination benefits to Mr Woskett in connection with the Director Performance Rights the subject of Resolution 10. Resolution 14 is conditional upon the passing of Resolution 10.

Resolution 15 seeks Shareholder approval to give potential termination benefits to Mr Moreno in connection with the Director Performance Rights the subject of Resolution 11. Resolution 15 is conditional upon the passing of Resolution 11.

Resolution 16 seeks Shareholder approval to give potential termination benefits to Mr Lofthouse in connection with the Director Performance Rights the subject of Resolution 12. Resolution 16 is conditional upon the passing of Resolution 12.

Resolution 17 seeks Shareholder approval to give potential termination benefits to Mr Kins in connection with the Director Performance Rights the subject of Resolution 13. Resolution 17 is conditional upon the passing of Resolution 13.

### **7.2 Sections 200B and 200E Corporations Act**

The Corporations Act restricts the benefits that can be given to persons who hold a “managerial or executive office” (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies.

The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the Plan, including the discretion to determine the accelerated or automatic vesting of Performance Rights in certain circumstances.

Under the Plan, a participant may become entitled to accelerated or automatic vesting of Performance Rights if the participant ceases their employment with the Company (whether following a Change of Control Event or otherwise) and the Board exercises its discretion upon cessation of employment. Accordingly, Shareholder approval is sought for the Directors to be given any such benefit in connection with their cessation employment with the Company should the Board exercise its discretion.

If Shareholder approval is given under Resolutions 14 to 17 (inclusive), the Company will still be required to comply with ASX Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and a cap on the value of termination benefits that can be paid to officers of the Company.

The value of the benefit will depend on the number of Director Performance Rights that may vest pursuant to the Plan and the market value of the Shares at the time the accelerated vesting or automatic vesting event occurs.

(a) **Details of Termination Benefit**

The Board possesses the discretion to determine, where a participant ceases employment (including following a Change of Control Event) before the vesting or exercise of their Performance Rights that some or all of the Performance Rights do not lapse.

The exercise of this discretion may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

The Company is therefore seeking Shareholder approval for the exercise of the Board’s discretion (should the Board choose to exercise it) and for the provision of such accelerated or automatic vesting rights in respect of any current or future participant in the Plan who ceases their employment with the Company (including following a Change of Control Event) and immediately prior to ceasing their employment held:

- (i) a managerial or executive office in the Company (or any of its related bodies corporate); and
- (ii) unvested Performance Rights issued under the Plan.

Provided Shareholder approval is given, the value of these benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation) to the relevant employee.

(b) **Value of the Termination Benefits**

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company’s Share price at the time of vesting and the number of Performance Rights that vest.

The following additional factors may also affect the value of the benefit:

- (i) the participant’s length of service and the portion of vesting periods at the time they cease employment;
- (ii) the status of the vesting conditions attaching to the Performance Rights at the time the participant’s employment ceases; and
- (iii) the number of unvested Performance Rights that the participant holds at the time they cease employment or at the time the Change of Control Event occurs (as applicable).

### **7.3 Listing Rule 10.19**

Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is seeking Shareholder approval for the purposes of Listing Rule 10.19. so that the Director Performance Rights to be issued to the Directors (or their nominees) for past performance shall not be forfeited by virtue of their resignation.

The value of the termination benefits payable to the Directors (or their nominees) under Resolutions 14 to 17 (inclusive) depend on the factors set out above in section 7.2 of this Notice. It is possible that the provision of the benefit associated with the vesting and exercise of Performance Rights in the future may exceed 5% of the equity interests of the Company at the relevant time, although it is unlikely.

Each of Resolutions 14 to 17 (inclusive) is conditional upon the passing of Resolutions 10 to 13 (inclusive) (as applicable).

If the Board does exercise its discretion to vest some or all of the Performance Rights upon the cessation of employment of any of the Directors, the Company will seek further Shareholder approval for the purposes of Listing Rule 10.19 if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the Company.

The effect of the outcome of Resolutions 14 to 17, taking into account that these Resolutions are conditional on the passing of Resolutions 10 to 13 (as applicable to each Director), is as follows:

Outcome	Effect
Resolutions 10 and 14 are passed (Andrew Woskett)	<p>The Company will be able to give termination benefits in connection with the Director Performance Rights which exceed the 5% threshold to the current Directors in accordance with the rules of the Plan in connection with any Director ceasing to hold their managerial or executive office.</p> <p>Each approval will be effective for a period of three years from the date it is passed. This means that each approval will be effective if the Board exercises its discretion under the Plan and a Director's employment or office ceases during the period of three years after the approval of the relevant Resolution. If considered appropriate, the Board may seek new approval from Shareholders at the expiry of this three-year period.</p>
Resolutions 11 and 15 are passed (Cristian Moreno)	
Resolutions 12 and 16 are passed (Antony Lofthouse)	
Resolutions 13 and 17 are passed (Imants Kins)	
Resolution 14 is passed but Resolution 10 is not passed	Resolution 14 will have no effect.
Resolution 15 is passed but Resolution 11 is not passed	Resolution 15 will have no effect.
Resolution 16 is passed but Resolution 12 is not passed	Resolution 16 will have no effect.
Resolution 17 is passed but Resolution 13 is not passed	Resolution 17 will have no effect.
Resolution 14 is not passed (regardless of the outcome of Resolution 10)	<p>The Company will not be able to give termination benefits to the relevant Director in respect of the Director Performance Rights where those termination benefits exceed the 5% threshold.</p>
Resolution 15 is not passed (regardless of the outcome of Resolution 11)	

Outcome	Effect
Resolution 16 is not passed (regardless of the outcome of Resolution 12)	
Resolution 17 is not passed (regardless of the outcome of Resolution 13)	

#### 7.4 Board Recommendation

The Board declines to make a recommendation in relation to Resolutions 14 to 17 (inclusive) due to the potential personal interests of Directors in the outcome of each Resolution.

## 8. RESOLUTION 18 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BLUE SPEC DRILLING

### 8.1 Background

The Company is a party to a drill for equity agreement with Blue Spec Drilling Pty Ltd (**Blue Spec**). Pursuant to that agreement, the Company may request that it pay a percentage of the invoices for the services provided by Blue Spec by issuing Shares to Blue Spec.

Pursuant to its arrangements with Blue Spec, on 9 April 2024 the Company issued 1,329,121 Shares to Blue Spec using its existing capacity under Listing Rule 7.1.

Resolution 18 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Blue Spec Shares.

### 8.2 Regulatory Requirements

Listing Rule 7.1, subject to specific exceptions, limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Blue Spec Shares not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use 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 Blue Spec Shares.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and as such, increase 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 into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company seeks Shareholder approval to ratify the issue of the Blue Spec Shares under Listing Rule 7.4.

If Resolution 18 is passed, the issue of the Blue Spec Shares under the relevant Resolution will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Blue Spec Shares.

If Resolution 18 is not passed, the issue of the Blue Spec Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Blue Spec Shares.

### 8.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 18:

(a) **Identity of the persons to whom securities were issued**

The Blue Spec Shares were issued to Blue Spec.

Blue Spec is not a related party of the Company or material investor<sup>5</sup>.

(b) **The number and class of securities issued or agreed to issue**

1,329,121 Shares were issued to Blue Spec pursuant to Listing Rule 7.1.

(c) **A summary of the material terms of the securities**

The Blue Spec Shares 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.

The Blue Spec Shares are subject to voluntary escrow for a period of six months from the date of issue.

(d) **Issue date**

The Blue Spec Shares were issued on 9 April 2024.

(e) **Issue price**

The issue price for the Blue Spec Shares was \$0.1316 per Share.

(f) **Purpose of the issue**

The Blue Spec Shares were issued as part consideration for drilling services performed by Blue Spec for the Company.

(g) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

Blue Spec Agreement

The Blue Spec Shares were issued pursuant to a drill for equity agreement between the Company and Blue Spec.

Pursuant to the Agreement, the Company may request in writing that Blue Spec agrees to accept Shares in full and final settlement of up to 25% of the total value of one or more outstanding invoice(s), after subtracting GST and fuel components.

If Blue Spec agrees to receive Shares as part consideration for its services, the Blue Spec Shares are to be issued at the five-day volume weighted average price of the Company's Shares as traded on the ASX for the five trading days immediately preceding the date of the written notice from Blue Spec approving the Company's request to issue Shares as part consideration of the relevant invoice(s).

The Blue Spec Shares, and any other Shares issued to Blue Spec under the agreement (i.e for future invoices) are to be subject to a six month voluntary escrow from the date of issue.

If the Company does not have sufficient capacity under Listing Rule 7.1 to issue the Blue Spec Shares, it must pay 100% of the relevant invoice(s) in cash.

Either party may terminate the agreement by providing twenty-eight days' written notice.

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<sup>5</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolution 18 is included in the Notice of Meeting preceding this Explanatory Statement.

**8.4 Board Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 18.

## GLOSSARY

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

<b>Abeh</b>	Abeh Pty Ltd;
<b>Abeh Performance Shares</b>	has the meaning given in section 1.1 of the Explanatory Statement;
<b>Abeh Shares</b>	has the meaning given in section 1.1 of the Explanatory Statement;
<b>Associate</b>	the meaning given to that term in the Listing Rules;
<b>ASX</b>	ASX Limited or the securities market operated by ASX Limited, as the context requires;
<b>Blue Spec</b>	Blue Spec Drilling Pty Ltd;
<b>Blue Spec Shares</b>	has the meaning in section 8.1 of the Explanatory Statement;
<b>Board</b>	board of Directors;
<b>Chair</b>	chair of the Meeting;
<b>Change of Control Event</b>	has the meaning given to that term in paragraph (d) of Schedule 1;
<b>Company</b>	Torque Metals Limited (ACN 621 122 905);
<b>Control</b>	has the same meaning as in section 50AA of the Corporations Act;
<b>Constitution</b>	constitution of the Company;
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth);
<b>Director</b>	director of the Company;
<b>Director Performance Rights</b>	the performance rights to be issued to the Directors, the subject of Resolutions 10 to 13 (inclusive);
<b>Director Placement</b>	has the meaning given in section 5.1 of the Explanatory Statement;
<b>Director Placement Options</b>	has the meaning given in section 5.1 of the Explanatory Statement;
<b>Director Placement Shares</b>	has the meaning given in section 5.1 of the Explanatory Statement;
<b>Equity Securities</b>	has the meaning given to that term in the Listing Rules;
<b>Explanatory Statement</b>	the explanatory statement that accompanies this Notice of Meeting;
<b>Key Management Personnel</b>	key management personnel of the Company (as defined in section 9 of the Corporations Act);



<b>Joint Lead Managers</b>	Euroz Hartleys Limited and Evolution Capital Pty Ltd;
<b>Listing Rules</b>	means the listing rules of the ASX;
<b>McEvoy</b>	Leslie McEvoy;
<b>McEvoy Shares</b>	has the meaning in section 1.1 of the Explanatory Statement;
<b>Meeting or Extraordinary General Meeting</b>	the Extraordinary General Meeting convened by this Notice of Meeting;
<b>Notice of Meeting or Notice</b>	this notice of Extraordinary General Meeting;
<b>Placement</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Placement Options</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Placement Shares</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Plan</b>	the Company's Employee Securities Incentive Plan;
<b>Proxy Form</b>	the proxy form enclosed with this Notice of Meeting;
<b>Resolution</b>	resolution contained in this Notice of Meeting;
<b>Schedule</b>	schedule to this Notice of Meeting;
<b>Share</b>	fully paid ordinary share in the capital of the Company;
<b>Shareholder</b>	holder of a Share in the Company;
<b>Tenements</b>	has the meaning in section 1.1 of the Explanatory Statement;
<b>Tranche 1</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Tranche 2</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Vendor</b>	Abeh and its associates or McEvoy (as applicable);
<b>Vendor Securities</b>	has the meaning in section 1.1 of the Explanatory Statement;
<b>WST</b>	Australian Western Standard Time.

## SCHEDULE 1 – SUMMARY OF TERMS AND CONDITIONS OF PERFORMANCE SHARES

- (a) **Vesting criteria/Performance Milestones:** The Performance Shares will be subject to the following vesting criteria:

No. of Performance Shares	Performance Milestone	Expiry Date
5 million	On announcement to ASX by the Company of the discovery of at least 3 drill holes intersecting the same commodity in the same Tenement (10m @1% Li <sub>2</sub> O or 10m @1% Ni or 10m @ 5g/t Au).	5 years from the date of issue.

- (b) **(Notification to holder):** The Company shall immediately notify the holder in writing when the relevant Performance Milestone has been satisfied.
- (c) **(Conversion):** Subject to paragraph (n), upon satisfaction of the applicable Performance Milestone, each Performance Share will at the election of the holder convert into one share in the capital of the Company (**Share**). Conversion of Performance Shares can be made by the holder providing written notice to the Company.

- (d) **(Change in Control):**

In the circumstance of a “Change in Control Event” (as defined below) of the Company occurring, the relevant Performance Milestone is deemed to be automatically satisfied and each Performance Share will, at the election of the holder, convert into one Share.

For the purposes of this clause, a “**Change in Control Event**” means:

- (i) the occurrence of:
- a. the offeror under a takeover bid pursuant to Chapter 6 of the Corporations Act in respect of the Shares announcing that it has achieved acceptances in respect of more than 50% of all Shares; and
  - b. that takeover bid being, or having become or been declared, unconditional; or
- (ii) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the court made under section 411(4)(b) of the Corporations Act in respect of a members scheme of arrangement under Part 5.1 of the Corporations Act under which all Shares are to be either cancelled or transferred to a third party [but not a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return) of the issued capital of the Company].
- (e) **(Lapse of a Performance Share):** Any Performance Share that has not been converted into a Share prior to the applicable Expiry Date specified in paragraph (a) will automatically lapse.
- (f) **(Share ranking):** All Shares issued upon the conversion of Performance Shares on satisfaction of the applicable Performance Milestone will upon issue rank pari passu in all respects with other Shares.
- (g) **(Application to ASX):** The Performance Shares will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Share on ASX within the time period required by the ASX Listing Rules.

- (h) **(Timing of issue of Shares on Conversion):** Within 10 business days after date that Performance Shares are converted, the Company will:
- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Shares converted;
  - (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 conversion of the Performance Shares.

If a notice delivered under paragraph (h)(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.

- (i) **(Transfer of Performance Shares):** The Performance Shares are not transferable.
- (j) **(Participation in new issues):** A Performance Share does not entitle a holder (in their capacity as a holder of a Performance Share) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (k) **(Reorganisation of capital):** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (l) **(Adjustment for bonus issue):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Share will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Share before the record date for the bonus issue.
- (m) **(Dividend and Voting Rights):** The Performance Shares do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (n) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Share would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Share would result in a contravention of the General Prohibition:
  - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Share may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition; and
  - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (n)(i) within seven days if the Company considers that the conversion of a Performance Share may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the

Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.

- (o) **(No rights to return of capital):** A Performance Share does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (p) **(Rights on winding up):** A Performance Share does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (q) **(ASX Listing Rule compliance):** The board of the Company reserves the right to amend any term of the Performance Shares to ensure compliance with the ASX Listing Rules.
- (r) **(No other rights):** A Performance Share gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

## SCHEDULE 2 – SUMMARY OF TERMS OF OPTION AGREEMENTS

### Option Agreement 1

The material terms of the Option Agreement with Maxwell Strindberg and Abeh are as follows:

1. The Company will pay the Vendors AUD \$1 for an exclusive option to acquire the tenements (**Stage 1 Tenements**) (**Stage 1 Option**).
2. The grant of the Stage 1 Option is subject to satisfaction of standard industry conditions (**Stage 1 Conditions**), including Torque completing due diligence on the tenements to its sole satisfaction and if required, Torque obtaining shareholder approval for the issue of the share consideration to the Vendors. If the Stage 1 Conditions are not satisfied (or waived) on or before 5.00pm WST on 30 September 2024, the Option Agreement may be terminated by any party.
3. Subject to satisfaction of the Stage 1 Conditions, Torque may exercise the Stage 1 Option during the option period by delivering to the Vendors an Option Exercise Notice.
4. Stage 1 Completion will occur 5 business days after Torque exercises the Stage 1 Option.
5. At Stage 1 Completion Torque will provide to the Vendors (or their nominee) the following consideration:
  - (i) 5 million fully paid ordinary shares (100% of the shares will be escrowed for 6 months);
  - (ii) 5 million unlisted performance shares which will be convertible into shares on announcement to ASX by Torque of the discovery of at least 3 drill holes intersecting the same commodity in the same tenement (10m @1% Li2O or 10m @1% Ni or 10m @ 5g/t Au); and
  - (iii) a 2% net smelter return royalty on minerals (other than the Reserved Minerals as defined below) mined from the tenements,

in exchange for a 100% legal and beneficial interest in the Stage 1 Tenements.

6. To the extent that the tenements within the tenement package are not granted, from the grant date, Torque will receive an option to acquire the relevant tenement (**Stage 2 Tenement**) free of encumbrances (**Stage 2 Option**).
7. Torque may exercise the Stage 2 Option with respect to a Stage 2 Tenement subject to the Stage 2 Tenement being transferable in accordance with the *Mining Act 1971 (WA)*.
8. No further consideration will be payable to the Vendors on exercise of a Stage 2 Option with respect to a Stage 2 Tenement.
9. Upon transfer of any tenement to Torque, the rights to certain minerals found within the tenements (**Reserved Minerals**) will be reserved to the Vendors<sup>6</sup>. The Vendors' rights with respect to the Reserved Minerals will be governed by a mineral rights deed to be agreed between the parties, on industry standard terms.
10. The Option Agreement contains other standard terms customary to agreements of this nature, including completion requirements and obligations, representations and warranties and indemnities.

### Option Agreement 1 - Tenement Package

No.	Tenement	Holder	Status
1.	E15/1706	Abeh Pty Ltd	Pending
2.	E15/1717	Abeh Pty Ltd	Pending
3.	M15/1891	Abeh Pty Ltd	Pending

<sup>6</sup> To the extent the land underlying the Tenements is Crown Land, the Reserved Minerals are kaolin; alumina; silica; sand; gemstones and gravel. To the extent the land underlying the Tenements is private land, the Reserved Minerals will be kaolin; alumina; silica; and gemstones.

4.	E15/1909	Abeh Pty Ltd	Pending
5.	E15/1707	Strindberg, M	Granted
6.	E15/1897	Strindberg, M	Granted
7.	E15/1400	Strindberg, M	Granted
8.	E15/1906	Strindberg, M	Granted

## Option Agreement 2

The material terms of the Option Agreement with McEvoy are as follows:

1. The Company will pay the Vendor AUD \$1 for an exclusive option to acquire the tenements (**Stage 1 Tenement**) (**Stage 1 Option**).
2. The grant of the Stage 1 Option is subject to satisfaction of standard industry conditions (**Stage 1 Conditions**), including Torque completing due diligence on the tenements and if required, Torque obtaining shareholder approval for the issue of the share consideration to the Vendor. If the Stage 1 Conditions are not satisfied (or waived) on or before 5.00pm WST on 30 September 2024, the Option Agreement may be terminated by any party.
3. Subject to satisfaction of the Stage 1 Conditions, Torque may exercise the Stage 1 Option during the option period by delivering to the Vendor an Option Exercise Notice.
4. Stage 1 Completion will occur 5 business days after Torque exercises the Stage 1 Option.
5. At Stage 1 Completion Torque will provide to the Vendor (or its nominee) the following consideration:
  - (i) 200,000 fully paid ordinary shares (which will be subject to escrow for 6 months); and
  - (ii) a 2% net smelter return royalty on minerals mined from the tenements,

in exchange for a 100% legal and beneficial interest in the Stage 1 Tenement.
6. To the extent that a tenement within the tenement package is not granted, from the grant date, Torque will receive an option to acquire the relevant tenement (**Stage 2 Tenement**) free of encumbrances (**Stage 2 Option**).
7. Torque may exercise the Stage 2 Option with respect to the Stage 2 Tenement subject to the Stage 2 Tenement being transferable in accordance with the *Mining Act 1971 (WA)*.
8. No further consideration will be payable to the Vendor on exercise of a Stage 2 Option with respect to the Stage 2 Tenement.
9. The Option Agreement contains other standard terms customary to agreements of this nature, including completion requirements and obligations, representations and warranties and indemnities.

## Option Agreement 2 – Tenement Package

No.	Tenement	Holder	Status
1.	E15/2025	McEvoy, L	Granted
2.	E15/2026	McEvoy, L	Pending

## SCHEDULE 3 – SUMMARY OF TERMS AND CONDITIONS OF OPTIONS

A summary of the terms of the Placement Options and Director Placement Options is set out below.

1. **Entitlement**

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

2. **Exercise Price**

The exercise price of each of the Options is \$0.25 (**Exercise Price**).

3. **Expiry Date**

Each Option may be exercised at any time before 5.00pm (WST) on 7 May 2026 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically expire.

4. **Exercise Period**

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

5. **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 Notice of Exercise form (**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.

6. **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**).

7. **Issue of Shares on exercise**

Within 5 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 paragraph 7(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.

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

8. **Quotation of Options**

The Options will be unquoted unless the Board resolves otherwise in its sole discretion.

9. **Transferability**

The Options are not transferable, except with the prior written approval of the approval of the Board. Such consent must not be unreasonably withheld or delayed.

10. **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.

11. **Adjustments for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

12. **Adjustments for reorganisation**

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

13. **Deferral of exercise if resulting in a prohibited acquisition of Shares**

If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the exercise of that Option shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether exercise of an Option would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the exercise of an Option may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph 13(i) within seven days if the Company considers that the exercise of an Option may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition.



## SCHEDULE 4 - SUMMARY OF THE TERMS OF THE DIRECTOR PERFORMANCE RIGHTS

### 1. Vesting conditions

Subject to the terms and conditions below, each Director Performance Right is convertible into one (1) Share, upon satisfaction of the following vesting conditions (**Vesting Condition**):

Performance Rights	Vesting Condition	Expiry Date
Class B Performance Rights	The Company delineating a JORC 2012 Compliant Mineral Resource not less than 250,000oz of Au.	22 November 2024
Class H Performance Rights	The Company delineating a JORC 2012 Compliant Mineral Resource not less than 400,000oz of Au.	5 years from the date of issue

### 2. General terms

- (a) The Performance Rights shall lapse at 5.00pm (WST) on the expiry date set out in the table in paragraph 1(**Expiry Date**).
- (b) The Performance Rights will be granted for nil consideration.
- (c) The Board may, at its discretion, and by notice to the holder of a Performance Right (**Holder**), adjust or vary the terms of a Performance Right, subject to the requirements of the Listing Rules. No adjustment or variation to these terms will be made without the prior written consent of each Holder, if such adjustment or variation would have a materially prejudicial effect upon that Holder (in respect of their outstanding Performance Rights).
- (d) The Performance Rights do not confer any right to vote at general meeting.
- (e) The Performance Rights do not entitle the Holder to any dividends.
- (f) The Performance Rights do not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (g) The Performance Rights are not transferable.
- (h) The Performance Rights will not be quoted on ASX. However, upon conversion of the Performance Rights into Shares, the Company must, within five (5) business days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (i) Holders of Performance Rights will not be entitled to participate in new issues of securities offered to holders of Shares such as bonus issues and entitlement issues, unless and until the Holder is entitled to convert the Performance Rights, and does so before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares.

### 3. Conversion of Performance Rights

- (a) Holders may convert their Performance Rights into Shares by delivering to the Company Secretary, in the period between the relevant Vesting Condition being satisfied and the relevant Expiry Date:
  - (i) the certificate or holding statement for the Performance Rights; and
  - (ii) a notice signed by the Holder stating the Holder wishes to convert the Performance Rights and specifying the number of Performance Rights which are to be converted.
- (b) The Company shall issue to the Holder Shares, and deliver holding statements following conversion within 5 Business Days of receipt of receipt of the notice in paragraph 3(a)(ii).

- (c) Shares issued following conversion of a Performance Right shall rank, from the date of issue, equally with existing Shares of the Company in all respects.

4. **Lapse of Performance Rights**

A Performance Right will lapse where:

- (a) the Holder ceases its employment with the Company and the Vesting Condition has not been met;
- (b) the Vesting Conditions are unable to be satisfied; or
- (c) the Expiry Date has passed,  
whichever is earlier.

5. **Change of Control Event**

- (a) On the occurrence of a Change of Control Event, the Board may determine that any unvested Performance Rights will vest, despite the non-satisfaction of any Vesting Conditions and become convertible into Shares with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event.
- (b) In any event, the maximum number of Class B Performance Rights that can be converted into Shares and issued upon a Change of Control Event must not exceed 10% of the issued Share capital of the Company (as at the date of the Change in Control Event). This term does not apply to the Class H Performance Rights.

## SCHEDULE 5 – SUMMARY OF TERMS OF PLAN

A summary of the terms of the Plan is set out below:

### 1. **Eligible Participant**

A Person that may participate in the Plan is an “Eligible Participant”.

Eligible Participant means a person that:

- (a) is an "ESS Participant" (as that term is defined in Divisions 1A of Part 7.12 of the Corporations Act) in relation to an invitation made by the Company on or after 1 October 2022; and
- (b) has been determined by the Board to be eligible to participate in the Plan from time to time.

### 2. **Purpose**

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with Shareholders of the Company Group, by providing an opportunity to Eligible Participants to receive an equity interest in the Company.

### 3. **Plan administration**

The Plan is administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion.

### 4. **Eligibility, invitation and application**

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for securities on such terms and conditions as the Board decides.

### 5. **Grant of Securities**

On receipt of has a duly completed application from an Eligible Participant, the Company may grant the Participant the relevant number of securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

### 6. **Terms of Convertible Securities**

Each convertible security (**Convertible Security**) represents a right to acquire one or more Shares, subject to the terms and conditions of the Plan.

Unless permitted by the Plan, a Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security.

### 7. **Vesting of Convertible Securities**

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. If the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

### 8. **Exercise of Convertible Securities and cashless exercise**

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities, pay the exercise price (if any) to the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **Cashless exercise**

At the time of exercise of the Convertible Securities, subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the market value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

10. **Delivery of Shares on exercise of Convertible Securities**

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue to that Participant the number of Shares to which the Participant is entitled under the Plan rules.

11. **Forfeiture of Convertible Securities**

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently, dishonestly, negligently or willfully breached his or her duties to the Company Group, the Board may in its discretion deem that all unvested Convertible Securities held by that Participant have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

12. **Change of Control:**

If a Change of Control Event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

13. **Rights attaching to Plan Shares:**

All Shares issued under the Plan, including upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

14. **Disposal restrictions on Plan Shares**

Plan Shares may be subject to restrictions as to the disposal or other dealing by a Participant for a period, during which the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

15. **Adjustment of Convertible Securities:**

If there is a reorganisation of the issued Share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue ( other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

16. **Participation in new issues**

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares during the currency of the Convertible Securities without exercising the Convertible Securities.

17. **Compliance with Applicable Laws**

Notwithstanding the Plan rules or any terms of a security, no security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any applicable laws.

Where monetary consideration is payable by the Eligible Participant, including in respect of the exercise price of Convertible Securities, the Company must reasonably believe when making an invitation:

- (a) the total number of Plan Shares that are, or are covered by the securities that may be issued under an invitation; and
- (b) the total number of Plan Shares that are, or are covered by the Securities that have been issued, or could have been issued in connection with the Plan in reliance on Division 1A of Part 7.12 of the Corporations Act at any time during the previous 3 year period prior to the date the invitation is made,

does not exceed:

- (c) the issue cap percentage prescribed in the Constitution (if any); or
- (d) if the Constitution does not specify an issue cap percentage, 5%

of the total number of Shares on issue at the date of the invitation.

18. **Amendment of Plan**

The Board may amend the Plan, including (without limitation) the terms and conditions upon which any securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation, to correct manifest error or is agreed to in writing by all Participants.

## SCHEDULE 6 – DIRECTOR PERFORMANCE RIGHTS VALUATION

The Director Performance Rights pursuant to Resolutions 10 to 13 have been valued by internal management. The 'per security' value of the Director Performance Rights has been used to arrive at the valuation.

The underlying share price of \$0.195 being the closing share price of the Company's fully paid ordinary shares traded on the ASX as at 4 June 2024 was used in estimating the value of the Class B Performance Rights and the Class H Performance Rights.

The total value of the financial benefit, if approved, is estimated to be:

	Class B	Class H
Andrew Woskett	\$390,000	\$487,500
Cristian Moreno	\$975,000	\$1,462,500
Antony Lofthouse	\$292,500	\$292,500
Imants Kins	\$292,500	\$292,500

Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 27 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:

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Sydney NSW 2001

#### IN PERSON:

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