
CAPRICE RESOURCES LIMITED
ACN 624 970 725
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.30 am (WST)
DATE: 13 August 2024
PLACE: Level 2
7 Havelock Street
WEST PERTH WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.30 am (WST) on 11 August 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE FACILITATION SECURITIES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 18,000,000 Shares and up to 25,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 33,513,041 Shares on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1A

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,342,027 Shares on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 21,894,932 Shares on the terms and conditions set out in the Explanatory Statement.”

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

5. **RESOLUTION 5 – APPROVAL TO ISSUE PLACEMENT OPTIONS**

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 19,437,500 Options on the terms and conditions set out in the Explanatory Statement."

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

6. **RESOLUTION 6 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – GLENN WHIDDON**

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,500,000 Shares and 1,375,000 Options to Glenn Whiddon (and/or his nominees) on the terms and conditions set out in the Explanatory Statement."

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

7. **RESOLUTION 7 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – PHILIP RE**

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,000,000 Shares and 500,000 Options to Philip Re (and/or his nominees) on the terms and conditions set out in the Explanatory Statement."

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

8. **RESOLUTION 8 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – SCOTT DEAKIN**

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,750,000 Shares and 687,500 Options to Scott Deakin (and/or his nominees) on the terms and conditions set out in the Explanatory Statement."

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

9. **RESOLUTION 9 – APPROVAL TO ISSUE LMB OPTIONS**

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 20,000,000 Options on the terms and conditions set out in the Explanatory Statement."

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

10. RESOLUTION 10 – APPROVAL TO ISSUE SHARES IN LIEU OF CAPITAL RAISING FEE

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,280,000 Shares on the terms and conditions set out in the Explanatory Statement."

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

11. RESOLUTION 11 – APPROVAL TO ISSUE SHARES TO RELATED PARTY – GLENN WHIDDON

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Shares to Glenn Whiddon (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

12. RESOLUTION 12 – APPROVAL TO ISSUE SHARES TO RELATED PARTY – PHILIP RE

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Shares to Philip Re (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

13. RESOLUTION 13 – APPROVAL TO ISSUE SHARES TO RELATED PARTY – SCOTT DEAKIN

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,000,000 Shares to Scott Deakin (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

14. RESOLUTION 14 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTY – GLENN WHIDDON

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Glenn Whiddon (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

15. RESOLUTION 15 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTY – PHILIP RE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Philip Re (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

16. RESOLUTION 16 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTY – SCOTT DEAKIN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Scott Deakin (and/or his nominees) under the Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

17. RESOLUTION 17 – APPROVAL TO ISSUE SHARES TO RELATED PARTY IN LIEU OF DIRECTOR’S FEES – GLENN WHIDDON

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,898,851 Shares to Glenn Whiddon (and/or his nominees) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

18. **RESOLUTION 18 – APPROVAL TO ISSUE SHARES TO RELATED PARTY IN LIEU OF DIRECTOR’S FEES – SCOTT DEAKIN**

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,297,701 Shares to Scott Deakin (and/or his nominees) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

Voting Prohibition Statements

<p>Resolutions 11, 14 and 17 – Approval to issue Securities to Related Party - Glenn Whiddon</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (GW Resolutions Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a GW Resolutions Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>Provided the Chair is not a GW Resolutions Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolutions 12 and 15 – Approval to issue Securities to Related Party – Philip Re</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (PR Resolutions Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a PR Resolutions Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>Provided the Chair is not a PR Resolutions Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolutions 13, 16 and 18 – Approval to issue Securities to Related Party – Scott Deakin</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (SD Resolutions Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a SD Resolutions Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p>

	<p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a SD Resolutions Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
--	---

Voting Exclusion Statements

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

Resolution 1 – Approval to issue Facilitation Securities	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, HP Investments (AUS) Pty Ltd) or an associate of that person or those persons.
Resolutions 2 and 3 – Ratification of prior issue of Tranche 1 Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the participants in the Placement) or an associate of that person or those persons.
Resolution 4 – Approval to issue Tranche 2 Placement Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, the participants in the Placement) or an associate of that person or those persons.
Resolution 5 – Approval to issue Placement Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, participants in the Placement) or an associate of that person or those persons.
Resolution 6 – Approval for related party participation in Placement – Glenn Whiddon	Glenn Whiddon (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Approval for related party participation in Placement – Philip Re	Philip Re (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 8 – Approval for related party participation in Placement – Scott Deakin	Scott Deakin (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 9 – Approval to issue LMB Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, CPS Capital Group Pty Ltd) or an associate of that person or those persons.
Resolution 10 – Approval to issue Shares in lieu of Capital Raising Fee	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the

	Company) (namely, CPS Capital Group Pty Ltd) or an associate of that person or those persons.
Resolutions 11 and 14 – Approval to issue Securities to Related Party – Glenn Whiddon	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including, Glenn Whiddon) or an associate of that person or those persons.
Resolutions 12 and 15 – Approval to issue Securities to Related Party – Philip Re	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including, Philip Re) or an associate of that person or those persons.
Resolutions 13 and 16 – Approval to issue Securities to Related Party – Scott Deakin	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including, Scott Deakin) or an associate of that person or those persons.
Resolution 17 – Approval to issue Shares to Related Party in lieu of Director's Fees – Glenn Whiddon	Glenn Whiddon (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 18 – Approval to issue Shares to Related Party in lieu of Director's Fees – Scott Deakin	Scott Deakin (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6141 3136.

EXPLANATORY STATEMENT

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

1. BACKGROUND

1.1 The Acquisition

On 9 May 2024, the Company announced it had entered into a binding option agreement with HJH Nominees Pty Ltd (ACN 122 931 873) (**Vendor**) to acquire a 90% legal and beneficial interest in granted Exploration Licence E80/5873 and applications for Exploration Licences E80/5872, E80/5896 and E80/5915, forming the Bantam Niobium-REE Project in the West Arunta region of Western Australia, and associated mining information (the **Acquisition**).

Refer to the Company's ASX announcement released on 9 May 2024 (**Acquisition Announcement**) for further details.

1.2 Facilitation fee

As set out in the Acquisition Announcement, the Company has agreed to pay a facilitation fee to HP Investments (AUS) Pty Ltd (**HP Investments**) of 18,000,000 Shares and 25,000,000 options (exercisable at \$0.03 on or before 31 January 2027) (**New Options**) (together, the **Facilitation Securities**) pursuant to a transaction mandate entered into between the Company and HP Investments (**Transaction Mandate**), in consideration for introduction and facilitation services provided in relation to the Acquisition and assisting the Company achieve its strategic objectives.

Under the Transaction Mandate, subject to completion of the Acquisition having occurred, the Company is to issue the Facilitation Securities to HP Investments (and/or its nominees) subject to the Company obtaining Shareholder approval for the issue of the Facilitation Securities as follows:

- (a) 50% of the Shares and 100% of the New Options to be issued upon completion of the Acquisition occurring (**Milestone 1**); and
- (b) 50% of the Shares to be issued upon the second deferred milestone payment being made to the Vendor under the Acquisition (**Milestone 2**).

If Shareholder approval is not obtained for the issue of the Facilitation Securities, the Company must pay the facilitation fee (or that portion thereof) in accordance with the above in cash within 7 business days of the later of:

- (a) Milestone 1 or Milestone 2 (as applicable) being satisfied; and
- (b) the relevant general meeting of Shareholders,

on the basis of a value agreed to by the parties acting reasonably.

1.3 Placement

As set out in the Acquisition Announcement, in conjunction with the Acquisition, the Company has secured funding of \$1,584,000 (before costs) by a two-tranche

placement of 88,000,000 Shares at an issue price of \$0.018 per Share (**Placement Shares**) to professional, sophisticated and institutional investors (**Placement**).

Under the Placement, the Company has agreed to issue one (1) free attaching New Option (exercisable at \$0.03 on or before 31 January 2027) for every four (4) Placement Shares subscribed for and issued to participants in the Placement, subject to the Company obtaining the approval of Shareholders.

The Directors of the Company, Glenn Whiddon, Philip Re and Scott Deakin, have each agreed to participate in the Placement for an aggregate of \$184,500 (being, 10,250,000 Placement Shares and 2,562,500 free attaching New Options), subject to the Company obtaining the approval of Shareholders.

On 20 May 2024, the Company completed the issue of 55,855,068 Placement Shares under tranche 1 of the Placement (**Tranche 1 Placement Shares**), comprising of 33,513,041 Tranche 1 Placement Shares utilising the Company's Listing Rule 7.1 placement capacity and 22,342,027 Tranche 1 Placement Shares utilising the Company's Listing Rule 7.1A placement capacity.

In order to complete the Placement and raise the balance of \$578,609 (before costs), the Company will seek Shareholder approval for:

- (a) the issue of 21,894,932 Placement Shares under tranche 2 of the Placement (**Tranche 2 Placement Shares**) to non-related party participants in the Placement;
- (b) the issue of 19,437,500 free attaching New Options to non-related party participants in the Placement; and
- (c) the issue of 10,250,000 Placement Shares and 2,562,500 free attaching New Options to the Directors (and/or their nominees) for their respective participation in the Placement.

1.4 Lead Manager

As set out in the Acquisition Announcement, the Company appointed CPS Capital Group Pty Ltd (**CPS Capital** or **Lead Manager**) as lead manager, broker and corporate advisor to the Placement pursuant to a mandate entered into between the Company and CPS Capital (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company agreed to:

- (a) pay CPS Capital a management fee of 2% (plus GST) on the total gross proceeds raised under the Placement (**Management Fee**);
- (b) pay CPS Capital a placing fee of 4% (plus GST) on the total gross proceeds raised under the Placement (**Placement Fee**);
- (c) pay CPS Capital a one-off completion fee of \$10,000 (plus GST);
- (d) issue CPS Capital (and/or its nominees) 5,000,000 New Options (exercisable at \$0.03 on or before 31 January 2027) (**Lead Manager Options**); and
- (e) issue CPS Capital (and/or its nominees) 15,000,000 New Options (exercisable at \$0.03 on or before 31 January 2027) (**Broker Options**).

The Lead Manager Options and the Broker Options (together, the **LMB Options**) will be issued subject to the Company obtaining Shareholder approval.

CPS Capital may elect to receive the above Management Fee and/or Placement Fee in cash or Shares at its election, using a deemed issue price equivalent to the issue price under the Placement, pursuant to the Lead Manager Mandate. Any such issue of Shares will be subject to the Company obtaining Shareholder approval.

1.5 Use of Funds

The proceeds from the Placement will strengthen the Company's balance sheet, placing it in an excellent position to grow the Company via exploration at the Bantam Niobium-REE Project and the Company's existing Mukinbudin REE, Northampton Polymetallic and Murchison Gold Projects.

Funds raised under the Placement are proposed to be applied towards, funding consideration payable at completion of the Acquisition and exploration and development of the Bantam Niobium-REE Project (assuming the Acquisition proceeds), funding exploration and development of the Company's existing projects and general working capital purposes.

1.6 Purpose of the Meeting

The purpose of the Meeting is to:

- (a) **Resolution 1:** seek Shareholder approval for the issue of the Facilitation Securities;
- (b) **Resolutions 2 and 3:** seek Shareholder ratification of the Tranche 1 Placement Shares;
- (c) **Resolution 4:** seek Shareholder approval for the issue of the Tranche 2 Placement Shares to non-related party participants;
- (d) **Resolution 5:** seek Shareholder approval for the issue of the free attaching New Options under the Placement to non-related party participants;
- (e) **Resolutions 6 to 8:** seek Shareholder approval for the issue of the Placement Shares and free attaching New Options under the Placement to the Directors (and/or their nominees);
- (f) **Resolution 9:** seek Shareholder approval for the issue of the LMB Options; and
- (g) **Resolution 10:** seek Shareholder approval for the issue of Shares in lieu of the Capital Raising Fee.

The Company is also seeking Shareholder approval for the issue of securities to the Directors (and/or their nominees) in relation to services provided by, and the remuneration of, the Directors (including the conversion of accrued directors' fees/salaries to equity) under Resolutions 11 to 18.

2. RESOLUTION 1 – APPROVAL TO ISSUE FACILITATION SECURITIES

2.1 General

As set out in Section 1.2, the Company has agreed to issue the Facilitation Securities to HP Investments (and/or its nominees), in consideration for introduction and facilitation services provided in relation to the Acquisition and assisting the Company achieve its strategic objectives.

The issue of the Facilitation Securities is subject to the Company obtaining the approval of Shareholders.

If Shareholders approve Resolution 1, the Facilitation Securities will be issued subject to, and in accordance with, the Transaction Mandate as outlined in Section 1.2.

2.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Facilitation Securities falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Facilitation Securities. In addition, the issue of the Facilitation Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Facilitation Securities. Consequently, the Company will need to satisfy the facilitation fee payable to HP Investments in cash, subject to and in accordance with the terms of the Transaction Mandate, which would deplete the Company's cash reserves.

Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Facilitation Securities.

2.4 Technical information required by Listing Rule 7.1

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

- (a) the Facilitation Securities will be issued to HP Investments (AUS) Pty Ltd (and/or its nominees), which is not a related party of the Company;
- (b) the Facilitation Securities to be issued comprise a maximum of 18,000,000 Shares and a maximum of 25,000,000 New Options;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the New Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Facilitation Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Facilitation Securities will occur in two stages as outlined in Section 1.2;
- (f) the Facilitation Securities will be issued at a nil issue price, in consideration for introduction and facilitation services provided in relation to the Acquisition and assisting the Company achieve its strategic objectives;
- (g) the purpose of the issue of the Facilitation Securities is to satisfy the Company's obligations under the Transaction Mandate;
- (h) the Facilitation Securities are being issued to HP Investments (and/or its nominees) under the Transaction Mandate. A summary of the material terms of the Transaction Mandate is set out in Section 1.2; and
- (i) the Facilitation Securities are not being issued under, or to fund, a reverse takeover.

The Directors recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTIONS 2 AND 3 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES - LISTING RULES 7.1 AND 7.1A

3.1 General

As set out in Section 1.3, on 20 May 2024, the Company completed the issue of 55,855,068 Tranche 1 Placement Shares.

The Company issued 33,513,041 Tranche 1 Placement Shares pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 2) and 22,342,027 Tranche 1 Placement Shares pursuant to the Company's 7.1A mandate (being, the subject of Resolution 3) which was approved by Shareholders at the annual general meeting held on 29 November 2023.

The issue of the Tranche 1 Placement Shares did not breach Listing Rules 7.1 or 7.1A at the time of the issue.

3.2 Listing Rules 7.1 and 7.1A

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

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 29 November 2023.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without

Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

3.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

Resolutions 2 and 3 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

3.4 Technical information required by Listing Rule 14.1A

If Resolutions 2 and 3 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 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 1 Placement Shares.

If Resolutions 2 and 3 are not passed, the Tranche 1 Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing 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.

3.5 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 2 and 3:

- (a) the Tranche 1 Placement Shares were issued to professional, sophisticated and institutional investors who are clients of the Lead Manager and/or supporting brokers. The recipients were identified through a bookbuild process, which involved the Lead Manager and supporting brokers seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;

- (c) 55,855,068 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 33,513,041 Shares were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 2); and
 - (ii) 22,342,027 Shares were issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 3);
- (d) the Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Tranche 1 Placement Shares were issued on 20 May 2024;
- (f) the issue price was \$0.018 per Tranche 1 Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;
- (g) the purpose of the issue of the Tranche 1 Placement Shares was to raise \$1,005,391 (before costs) of the total \$1,584,000 (before costs) to be raised under the Placement, which funds will be applied as set out in Section 1.3; and
- (h) the Tranche 1 Placement Shares were not issued under an agreement.

4. RESOLUTION 4 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

4.1 General

As set out in Section 1.3 above, the Company is proposing to issue 21,894,932 Tranche 2 Placement Shares to non-related party participants in the Placement, subject to obtaining Shareholder approval.

4.2 Listing Rule 7.1

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

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares. Consequently, the Company will not be able to raise the full \$1.584 million under the Placement.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

4.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Tranche 2 Placement Shares will be issued to professional, sophisticated and institutional investors who are clients of the Lead Manager and/or supporting brokers. The recipients were identified through a bookbuild process, which involved the Lead Manager and supporting brokers seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Tranche 2 Placement Shares to be issued is 21,894,932;
- (d) the Tranche 2 Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date;
- (f) the issue price of the Tranche 2 Placement Shares will be \$0.018 per Tranche 2 Placement Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares;
- (g) the purpose of the issue of the Tranche 2 Placement Shares is to raise \$394,109 (before costs) of the total \$1,584,000 (before costs) to be raised under the Placement, which funds will be applied as set out in Section 1.3;
- (h) the Tranche 2 Placement Shares are not being issued under an agreement; and
- (i) the Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.

5. RESOLUTION 5 – APPROVAL TO ISSUE PLACEMENT OPTIONS

5.1 General

As set out in Section 1.3 above, the Company is proposing to issue up to 19,437,500 free attaching New Options to non-related party participants in the Placement (**Placement Options**) on the basis of one (1) Placement Option for

every four (4) Placement Shares subscribed for and issued, subject to obtaining Shareholder approval.

5.2 Listing Rule 7.1

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

The proposed issue of the Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Placement Options.

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Options.

5.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Placement Options will be issued to participants in the Placement;
- (b) the maximum number of Placement Options to be issued is 19,437,500;
- (c) the Options will be issued on the terms and conditions set out in Schedule 1;
- (d) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Options will occur on the same date;
- (e) the Placement Options will be issued at a nil issue price, free attaching to the Placement Shares on a 1 for 4 basis. 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) the purpose of the issue of the Placement Options is to enable the Company to satisfy the terms of the Placement, in order to complete the Placement;
- (g) the Placement Options are not being issued under an agreement; and
- (h) the Placement Options are not being issued under, or to fund, a reverse takeover.

6. RESOLUTIONS 6 TO 8 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT

6.1 General

As set out in Section 1.3, the Directors of the Company, Glenn Whiddon, Philip Re and Scott Deakin, wish to participate in the Placement for an aggregate of \$184,500 on the same terms as unrelated participants in the Placement (**Participation**).

The proposed allocations to each of the Directors (and/or their nominees) under the Placement are as follows:

- (a) **Resolution 6:** Glenn Whiddon (and/or his nominees) for \$99,000, being 5,500,000 Placement Shares and 1,375,000 free attaching New Options;
- (b) **Resolution 7:** Philip Re (and/or his nominees) for \$36,000, being 2,000,000 Placement Shares and 500,000 free attaching New Options; and
- (c) **Resolution 8:** Scott Deakin (and/or his nominees) for \$49,500, being 2,750,000 Placement Shares and 687,500 free attaching New Options.

Resolutions 6 to 8 seek Shareholder approval for the issue of the Placement Shares and New Options to the Directors (and/or their nominees) under the Placement as outlined above, as a result of the Participation.

6.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The Participation of each of Messrs Whiddon, Re and Deakin will result in the issue of Shares and Options which constitutes giving a financial benefit and each of Messrs Whiddon, Re and Deakin are related parties of the Company by virtue of being Directors.

In respect of Resolution 6, the Directors (other than Mr Whiddon who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation of Mr Whiddon because the Placement Shares and New Options will be issued to Mr Whiddon (and/or his nominees) on the same terms as Placement Shares and New Options issued to non-related party participants in the Placement, and as such the giving of the financial benefit is on arm's length terms.

In respect of Resolution 7, the Directors (other than Mr Re who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation of Mr Re because the Placement Shares and New Options will be

issued to Mr Re (and/or his nominees) on the same terms as Placement Shares and New Options issued to non-related party participants in the Placement, and as such the giving of the financial benefit is on arm's length terms.

In respect of Resolution 8, the Directors (other than Mr Deakin who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation of Mr Deakin because the Placement Shares and New Options will be issued to Mr Deakin (and/or his nominees) on the same terms as Placement Shares and New Options issued to non-related party participants in the Placement, and as such the giving of the financial benefit is on arm's length terms.

6.3 Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Participation of each of Messrs Whiddon, Re and Deakin falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The Participation of each of Messrs Whiddon, Re and Deakin (and/or their nominees) therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 6 to 8 seek Shareholder approval for the Participation of each of Messrs Whiddon, Re and Deakin (and/or their nominees) under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 6 to 8 are passed, the Company will be able to proceed with the issue of the Placement Shares and New Options under the Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Placement Shares and New Options under the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Placement Shares and New Options under the Participation will not use up any of the Company's 15% annual placement capacity.

If Resolutions 6 to 8 are not passed, the Company will not be able to proceed with the issue of the Placement Shares and New Options under the Participation and no funds will be raised under the Placement from Messrs Whiddon, Re and Deakin (and/or their nominees).

6.5 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 6 to 8:

- (a) the Placement Shares and New Options will be issued to the following persons:
 - (i) Glenn Whiddon (and/or his nominees) pursuant to Resolution 6;
 - (ii) Philip Re (and/or his nominees) pursuant to Resolution 7; and
 - (iii) Scott Deakin (and/or his nominees) pursuant to Resolution 8,who each fall within the category set out in Listing Rule 10.11.1, by virtue of being a Director;
- (b) the maximum number of Placement Shares and New Options to be issued under the Participation (being the nature of the financial benefit proposed to be given) is 10,250,000 Shares and 2,562,500 Options, as follows:
 - (i) 5,500,000 Placement Shares and 1,375,000 New Options to Mr Whiddon (and/or his nominees) pursuant to Resolution 6;
 - (ii) 2,000,000 Placement Shares and 500,000 New Options to Mr Re (and/or his nominees) pursuant to Resolution 7; and
 - (iii) 2,750,000 Placement Shares and 687,500 New Options to Mr Deakin (and/or his nominees) pursuant to Resolution 8;
- (c) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the New Options will be issued on the terms and conditions set out in Schedule 1, being the same terms and conditions as all other New Options being issued under the Placement;
- (e) the Placement Shares and New Options under the Participation will be issued no later than 1 month after the date of the Meeting (or such later

date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the Placement Shares and New Options will be issued on the same date;

- (f) the issue price per Placement Share under the Participation will be \$0.018 per Share, being the same issue price as Placement Shares issued to other participants in the Placement. The New Options will be issued at a nil issue price under the Participation, free attaching to the Placement Shares on a 1 for 4 basis, per the terms of the Placement. The Company will not receive any other consideration for the issue of the Placement Shares and New Options under the Participation (other than in respect of funds received on exercise of the New Options);
- (g) the purpose of the issue of the Placement Shares and New Options under the Participation is to raise \$184,500 (before costs) of the total \$1,584,000 (before costs) to be raised under the Placement, which funds will be applied as set out in Section 1.3;
- (h) the Placement Shares and New Options to be issued under the Participation are not intended to remunerate or incentivise the Directors;
- (i) the issue of the Placement Shares and New Options under the Participation are not being made under an agreement; and
- (j) a voting exclusion statement is included in the Notice in relation to Resolutions 6 to 8.

7. RESOLUTION 9 – APPROVAL TO ISSUE LMB OPTIONS

7.1 General

As set out in Section 1.4, the Company has agreed to issue CPS Capital (and/or its nominees) 5,000,000 Lead Manager Options and 15,000,000 Broker Options (together, referred to as the LMB Options), as part consideration for capital raising and corporate advisory services provided in relation to the Placement.

The issue of the LMB Options is subject to the Company obtaining the approval of Shareholders.

7.2 Listing Rule 7.1

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

The proposed issue of the LMB Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

7.3 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the LMB Options. In addition, the issue of the LMB Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the LMB Options. As a result, the Company may need to consider other mechanisms to properly remunerate the Lead Manager, including satisfying the value of the LMB Options in cash, which would deplete the Company's cash reserves.

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the LMB Options.

7.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the LMB Options will be issued to CPS Capital Group Pty Ltd (and/or its nominees);
- (b) the maximum number of LMB Options to be issued is 20,000,000 (comprising, 5,000,000 Lead Manager Options and 15,000,000 Broker Options);
- (c) the terms and conditions of the LMB Options are set out in Schedule 1, being the same terms and conditions as all New Options being issued under the Placement;
- (d) the LMB Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the LMB Options will occur on the same date;
- (e) the LMB Options will be issued at a nil issue price (or a nominal issue price of \$0.00001 per LMB Option), as the LMB Options are being issued as part consideration for capital raising and corporate advisory services provided in respect of the Placement. Accordingly, no funds will be raised from the issue of the LMB Options. The Company will not receive any other consideration for the issue of the LMB Options (other than in respect of funds received on exercise of the LMB Options);
- (f) the purpose of the issue of the LMB Options is to satisfy the Company's obligations under the Lead Manager Mandate as outlined in Section 1.4;
- (g) the LMB Options are being issued to the Lead Manager (and/or its nominees) under the Lead Manager Mandate, a summary of which is set out in Section 1.4; and
- (h) the LMB Options are not being issued under, or to fund, a reverse takeover.

8. RESOLUTION 10 – APPROVAL TO ISSUE SHARES IN LIEU OF CAPITAL RAISING FEE

8.1 General

As set out in Section 1.4, CPS Capital may elect to receive the Management Fee and/or Placement Fee (together, the **Capital Raising Fee**) in cash or Shares at its election, using a deemed issue price equivalent to the issue price under the Placement. However, any such issue of Shares will be subject to the Company obtaining Shareholder approval.

The Company will confirm with CPS Capital the final amount of the Capital Raising Fee it elects to receive in Shares (if any) upon completion of the Placement (specifically, tranche 2 of the Placement which is the subject of Resolution 4).

On the basis that CPS Capital elects to convert the Capital Raising Fee to equity in full, the Company will be required to issue a maximum of 5,280,000 Shares.

The maximum number of Shares to be issued has been determined using the value of the Capital Raising Fee of \$95,040 (being, 6% of the total gross proceeds to be raised under the Placement) and a deemed issue price of \$0.018 (being, equivalent to the issue price under the Placement).

Accordingly, the Company is seeking Shareholder approval pursuant to Resolution 10 for the issue of up to 5,280,000 Shares to CPS Capital (and/or its nominees) in satisfaction of the Capital Raising Fee in full.

The effect of this approval will be to allow the Company to issue up to 5,280,000 Shares as may be required to convert the full amount of, or any portion of, the Capital Raising Fee depending on the election made by CPS Capital. The actual number of Shares issued will ultimately be determined upon the amount of the Capital Raising Fee (if any) which CPS Capital elects to convert to equity.

8.2 Listing Rule 7.1

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

The proposed issue of up to 5,280,000 Shares to CPS Capital (and/or its nominees) falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 10 is passed, the Company will be able to proceed with the issue of up to 5,280,000 Shares to CPS Capital (and/or its nominees). In addition, the issue of the 5,280,000 Shares (or any portion thereof) to CPS Capital (and/or its nominees) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of up to 5,280,000 Shares to CPS Capital (and/or its nominees). As a result, the Company will need to pay the full amount of the Capital Raising Fee in cash, which would deplete the Company's cash reserves.

Notwithstanding this, it should be noted that the total amount of the Capital Raising Fee paid in cash (if any) and the total number of Shares issued to satisfy the Capital Raising Fee (if any) will ultimately be determined upon the amount of the Capital Raising Fee which CPS Capital elects to convert to equity.

Resolution 10 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 5,280,000 Shares to CPS Capital (and/or its nominees).

8.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 10:

- (a) the Shares will be issued to CPS Capital Group Pty Ltd (and/or its nominees);
- (b) the maximum number of Shares to be issued is 5,280,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the Shares will be issued at a deemed issue price of \$0.018 as outlined in Section 8.1, in lieu of payment of the full amount of, or any portion of, the Capital Raising Fee in cash, depending on the election made by CPS Capital. A nominal subscription fee of \$0.00001 per Share may be paid;
- (f) the purpose of the issue of the Shares is to satisfy the Company's obligations under the Lead Manager Mandate as outlined in Section 1.4;
- (g) the Shares are being issued to the Lead Manager (and/or its nominees) under the Lead Manager Mandate, a summary of which is set out in Section 1.4; and
- (h) the Shares are not being issued under, or to fund, a reverse takeover.

9. RESOLUTIONS 11 TO 16 – APPROVAL TO ISSUE SECURITIES TO RELATED PARTIES

9.1 General

As set out in the Acquisition Announcement referred to in Section 1.1, following the restructure of the Board of Directors, the Company has been undertaking a corporate/strategic review of its activities and reviewing its existing tenement portfolio with a view to streamlining the tenure and associated holding costs, and considering additional opportunities for the creation of shareholder value.

The Company has agreed to issue each of the Directors (and/or their nominees):

- (a) 4,000,000 Shares (total of 12,000,000 Shares) (**Incentive Shares**) for work undertaken as part of reviewing the Company's activities and strategic direction/objectives and pursuing new opportunities, including in respect of the Acquisition; and
- (b) 5,000,000 New Options (total of 15,000,000 New Options) (**Incentive Options**) as part of their remuneration packages,

subject to the Company obtaining the approval of Shareholders.

It is proposed that the Incentive Shares and Incentive Options (together, the **Incentive Securities**) will be issued under the Company's employee incentive securities plan (**Incentive Plan** or **Plan**).

9.2 Directors' Recommendation

Each Director has a material personal interest in the outcome of Resolutions 11 to 16 on the basis that all of the Directors (and/or their nominees) are to be issued Incentive Securities should Resolutions 11 to 16 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 11 to 16 of this Notice.

9.3 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 6.2.

The issue of the Incentive Securities to the Directors (and/or their nominees) constitutes giving a financial benefit and each of the Directors is a related party of the Company by virtue of being a Director.

As the Incentive Securities are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Incentive Securities. Accordingly, Shareholder approval for the issue of Incentive Securities to the Directors (and/or their nominees) is sought in accordance with Chapter 2E of the Corporations Act.

9.4 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:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 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 Incentive Securities to the Directors (and/or their nominees) falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 11 to 16 seek the required Shareholder approval for the issue of the Incentive Securities under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

9.5 Technical information required by Listing Rule 14.1A

If Resolutions 11 to 16 are passed, the Company will be able to proceed with the issue of the Incentive Securities to the Directors (and/or their nominees) under the Incentive Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Securities (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 11 to 16 are not passed, the Company will not be able to proceed with the issue of the Incentive Securities to the Directors (and/or their nominees)

under the Incentive Plan. As a result, the Company will need to evaluate other methods to remunerate, incentivise and reward the Directors, which will likely involve the Company needing to utilise its cash reserves to pay remuneration, incentives and rewards.

9.6 Technical information required by Listing Rule 10.15 and section 219 of the Corporations Act

Pursuant to and in accordance with the requirements of Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 11 to 16:

- (a) the Incentive Securities will be issued to the following persons:
 - (i) Glenn Whiddon (and/or his nominees) pursuant to Resolutions 11 and 14;
 - (ii) Philip Re (and/or his nominees) pursuant to Resolutions 12 and 15; and
 - (iii) Scott Deakin (and/or his nominees) pursuant to Resolutions 13 and 16,each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Incentive Securities to be issued to the Directors (and/or their nominees) (being the nature of the financial benefit proposed to be given) is 12,000,000 Incentive Shares and 15,000,000 Incentive Options comprising:
 - (i) 4,000,000 Incentive Shares and 5,000,000 Incentive Options to Glenn Whiddon (and/or his nominees) pursuant to Resolutions 11 and 14;
 - (ii) 4,000,000 Incentive Shares and 5,000,000 Incentive Options to Philip Re (and/or his nominees) pursuant to Resolutions 12 and 15; and
 - (iii) 4,000,000 Incentive Shares and 5,000,000 Incentive Options to Scott Deakin (and/or his nominees) pursuant to Resolutions 13 and 16;
- (c) no securities have previously been issued under the Incentive Plan;
- (d) the Incentive Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the terms and conditions of the Incentive Options are set out in Schedule 1, being the same terms and conditions as all New Options being issued under the Placement;
- (f) the Company has chosen to issue the Incentive Shares to the Directors (and/or their nominees) to remunerate, incentivise and reward the Directors for work undertaken as part of reviewing the Company's activities and strategic direction/objectives and pursuing new opportunities, including in respect of the Acquisition, which is over and

above their roles as non-executive directors and reflective of the Company not currently having a Managing Director or Chief Executive Officer. It is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Shares on the terms proposed. The issue of the Incentive Shares allows the Company to preserve its cash reserves, which can otherwise be applied to advance the Company's business, as opposed to methods utilising cash to remunerate, incentivise and reward the Directors;

- (g) the Company has chosen to issue Incentive Options to the Directors (and/or their nominees) to provide a performance linked incentive component in the remuneration package for the Directors for the following reasons:
 - (i) the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
 - (ii) the deferred taxation benefit which is available to the Directors (and/or their nominees) in respect of an issue of Options is also beneficial to the Company as it means the Directors (and/or their nominees) are not required to immediately sell the Incentive Options (or exercise the Incentive Options and sell the underlying Shares) to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed. The issue of the Incentive Options allows the Company to preserve its cash reserves, which can otherwise be applied to advance the Company's business, as opposed to methods utilising cash to remunerate, incentivise and reward the Directors;
- (h) the number of Incentive Shares and Incentive Options to be issued to each of the Directors (and/or their nominees) has been determined following consultation with major Shareholders and based upon a consideration of:
 - (i) market relativity and current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the services provided by each of the Directors to the Company since their respective appointments to the Board;
 - (iii) the remuneration of the Directors; and
 - (iv) incentives and rewards to attract and retain the service of the Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.
- (i) the total remuneration package for each of the Directors for the previous financial year and the proposed total remuneration package for the current financial year and next financial year on an accruals basis of accounting are set out below:

Related Party	Proposed for Financial Year Ending 30 June 2025	Current Financial Year Ending 30 June 2024	Previous Financial Year Ended 30 June 2023
Glenn Whiddon	\$48,000 ¹	\$261,179 ²	Nil
Philip Re	\$48,000 ¹	\$271,333 ³	Nil
Scott Deakin	\$48,000 ¹	\$268,358 ⁴	Nil

Notes:

1. Comprising Directors' fees.
 2. Comprising accrued Director's fees of \$34,179 and share based payments of \$227,000, being the value of the Incentive Shares and the Incentive Options. It should be noted that the total value of the Related Party Shares proposed to be issued to Mr Whiddon (and/or his nominees) pursuant to Resolution 17 in respect of accrued Director's fees under the Conversion Agreement is \$60,763 (based on the closing price of the Shares on 11 June 2024 of \$0.032).
 3. Comprising Director's fees of \$44,333 and share based payments of \$227,000, being the value of the Incentive Shares and the Incentive Options.
 4. Comprising accrued Director's fees of \$41,358 and share based payments of \$227,000, being the value of the Incentive Shares and the Incentive Options. It should be noted that the total value of the Related Party Shares proposed to be issued to Mr Deakin (and/or his nominees) pursuant to Resolution 18 in respect of accrued Director's fees under the Conversion Agreement is \$73,526 (based on the closing price of the Shares on 11 June 2024 of \$0.032).
- (j) the value of the Incentive Shares is based on the closing price of the Shares on 11 June 2024 of \$0.032;
- (k) the value of the Incentive Options and the pricing methodology is set out in Schedule 3;
- (l) the Incentive Securities will be issued to the Directors (and/or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Securities will be issued on one date;
- (m) the issue price of the Incentive Securities will be nil (or alternatively a nominal issue price of \$0.0001), as such no funds will be raised from the issue of the Incentive Securities (other than in respect of funds received on exercise of the Incentive Options);
- (n) the purpose of the issue of the Incentive Securities is to:
- (i) remunerate, incentivise and reward the Directors for work undertaken as part of reviewing the Company's activities and strategic direction/objectives and pursuing new opportunities, including in respect of the Acquisition; and
 - (ii) provide a performance linked incentive component in the remuneration package for the Directors to align the interests of the Directors with those of Shareholders, to motivate and reward the performance of the Directors in their roles as Directors and to provide a cost effective way from the Company to remunerate the Directors, which 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;

- (o) a summary of the material terms and conditions of the Incentive Plan is set out in Schedule 2. For the avoidance of doubt, the Incentive Options will not be subject to any terms and conditions that may apply under the Incentive Plan to forfeiture of vested Convertible Securities;
- (p) no loans are being made to the Directors in connection with the acquisition of the Incentive Securities;
- (q) details of any securities issued under the Incentive Plan will be published in the annual report of the Company 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;
- (r) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Incentive Plan after Resolutions 11 to 16 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (s) the relevant interests of the Directors in the securities of the Company as at the date of this Notice and following the Meeting (assuming that all Resolutions to be considered at the Meeting are passed and all securities the subject of the Resolutions are issued) are set out below:

As at the date of this Notice

Related Party	Shares	Options	Undiluted	Fully Diluted
Glenn Whiddon ¹	14,040,237	2,000,000	5.03%	4.44%
Philip Re	Nil	Nil	Nil	Nil
Scott Deakin	6,144,518	Nil	2.20%	1.70%

Notes:

- Mr Whiddon's relevant interest includes an indirect interest in 12,558,676 Shares and 2,000,000 Options held by 6466 Investments Pty Ltd, an entity controlled by Mr Whiddon, and an indirect interest in 1,481,561 Shares held by Nautical Holdings WA Pty Ltd, an entity controlled by Mr Whiddon.

Post issue of Incentive Securities to the Directors

Related Party	Shares	Options	Undiluted	Fully Diluted
Glenn Whiddon ¹	25,439,088	8,375,000	7.25%	6.57%
Philip Re ²	6,000,000	5,500,000	1.71%	2.23%
Scott Deakin ³	15,192,219	5,687,500	4.33%	4.06%

Notes:

- Includes 5,500,000 Shares and 1,375,000 New Options to be issued pursuant to Resolution 6, 4,000,000 Shares to be issued pursuant to Resolution 11, 5,000,000 New Options to be issued pursuant to Resolution 14 and 1,898,851 Shares to be issued pursuant to Resolution 17.

2. Includes 2,000,000 Shares and 500,000 New Options to be issued pursuant to Resolution 7, 4,000,000 Shares to be issued pursuant to Resolution 12 and 5,000,000 New Options to be issued pursuant to Resolution 15.
 3. Includes 2,750,000 Shares and 687,500 New Options to be issued pursuant to Resolution 8, 4,000,000 Shares to be issued pursuant to Resolution 13, 5,000,000 New Options to be issued pursuant to Resolution 16 and 2,297,701 Shares to be issued pursuant to Resolution 18.
- (t) if all of the Incentive Shares and Incentive Options are issued, this will increase the number of Shares on issue from 279,275,344 Shares (being the total number of Shares on issue as at the date of this Notice) to 291,275,344 Shares (assuming that no further Shares are issued and no Options are exercised), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 4.12%. Further, if all of the Incentive Options are subsequently exercised the total number of Shares on issue would increase by an additional 15,000,000 Shares (assuming that no further Shares are issued and no other Options are exercised, other than the Incentive Options). This would result in the shareholding of existing Shareholders being diluted further by an aggregate of 4.90%. It should be noted however, that the dilution impacts of the issue of the Incentive Shares and Incentive Options (including where the Incentive Options are exercised) will be less where all securities the subject of the Resolutions to be considered are issued, particularly where other Options are exercised. The market price for Shares during the term of the Incentive Options would normally determine whether the Incentive Options are exercised. If, at any time any of the Incentive Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Options, there may be a perceived cost to the Company;
- (u) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.0524	17 and 21 August 2023
Lowest	\$0.016	Various dates during April 2024
Last	\$0.030	13 June 2024

- (v) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 11 to 16.

10. RESOLUTIONS 17 AND 18 – APPROVAL TO ISSUE SHARES TO RELATED PARTIES IN LIEU OF DIRECTORS’ FEES

10.1 General

Background

As set out in the Acquisition Announcement, Glenn Whiddon and Scott Deakin have agreed, subject to the Company obtaining Shareholder approval, to convert a total of \$75,537.93 in accrued directors’ fees for the period from their appointment date to 30 June 2024 (the **Conversion Agreement**), on the following basis:

Director	Appointment Date	NED Fee accrued to 30 June 2024 plus 20% premium ¹	Consulting Fee at \$1,500 per day ²	Total Directors' Fees accrued	Number of Shares to be issued ³
Glenn Whiddon	12 February 2024	\$22,179.31	\$12,000.00	\$34,179.31	1,898,851
Scott Deakin	23 February 2024	\$20,358.62	\$21,000.00	\$41,358.62	2,297,701
Total		\$42,537.93	\$33,000.00	\$75,537.93	4,196,552

Notes:

1. Non-executive director's fee (excluding GST) accrued to 30 June 2024 (Mr Whiddon: \$18,482.75; Mr Deakin: \$16,965.52) plus 20%. The 20% premium has been agreed to compensate Mr Whiddon and Mr Deakin for agreeing to accrue non-executive directors' fees and convert these accrued non-executive directors' fees to equity, which would otherwise be payable by the Company in cash. The 20% premium is intended to reflect the risks associated with receiving equity as opposed to cash.
2. Consulting fee based on a daily rate of \$1,500 (excluding GST) per day. This fee is payable for consultancy services provided to the Company by each of Mr Whiddon and Mr Deakin outside of the scope of their roles as non-executive directors. These consulting fees have been incurred in relation to work provided by each of Mr Whiddon and Mr Deakin in relation to the Acquisition.
3. It has been agreed to convert the total director's fees accrued using a deemed issue price equivalent to the issue price under the Placement, being \$0.018.

Resolutions 17 and 18 seek Shareholder approval for the Company to issue 4,196,552 Shares (**Related Party Shares**) to Mr Whiddon and Mr Deakin (and/or their respective nominees) in accordance with the allocations set out above, in lieu of the accrued directors' fees under the Conversion Agreement.

Reasoning for Conversion Agreement

Following consultation with major Shareholders, it was agreed to undertake the Conversion Agreement on the terms set out above as a mechanism to preserve the Company's existing cash reserves and also as a show of commitment and support for the Company moving forward by Mr Whiddon and Mr Deakin.

Although the total value of the Related Party Shares to be received by each of Mr Whiddon and Mr Deakin exceeds the respective debts to be discharged under the Conversion Agreement (based on the values set out at Section 10.6(a)), it should be noted that:

- (a) the Conversion Agreement was initially advised in the Acquisition Announcement released on 9 May 2024. The closing price of the Shares on ASX on 8 May 2024, being the day prior to the release of the Acquisition Announcement, was \$0.020 (**Closing Price**). The value of the Related Party Shares will fluctuate with movements in the price of Shares;
- (b) the deemed issue price being used under the Conversion Agreement is equivalent to the issue price of \$0.018 under the Placement. However, Mr Whiddon and Mr Deakin are not receiving a 1:4 free attaching New Option as per the terms and conditions of the Placement. In addition, it

is noted that the deemed issue price of \$0.018 represents only a 10% discount to the Closing Price noted above;

- (c) by agreeing to accept equity instead of cash to settle the accrued directors' fees, Mr Whiddon and Mr Deakin are taking on the risks associated with listed securities and financial markets generally instead of having the certainty of being paid these accrued directors' fees in full in cash. The 20% premium applied on the accrued non-executive directors' fees payable (and noting that Mr Whiddon and Mr Deakin are not receiving the 1:4 free attaching New Option as outlined in paragraph (b) above) is intended to compensate Mr Whiddon and Mr Deakin for agreeing to accrue non-executive directors' fees and taking on these risks;
- (d) by agreeing to accept equity instead of cash to settle the accrued directors' fees, Mr Whiddon and Mr Deakin are assisting the Company with capital management by allowing the Company to preserve existing cash reserves;
- (e) the Conversion Agreement removes accrued liabilities and improves the Company's balance sheet; and
- (f) it is considered that the issue of the Related Party Shares to Mr Whiddon and Mr Deakin to complete the Conversion Agreement further aligns their interests with the interests of Shareholders.

10.2 Directors' Recommendation

Mr Whiddon and Mr Deakin have a material personal interest in the outcome of Resolutions 17 and 18 on the basis that these two Directors (and/or their respective nominees) are to be issued the Related Party Shares should Resolutions 17 and 18 be passed. For this reason, Mr Whiddon and Mr Deakin do not believe that it is appropriate to make a recommendation on Resolutions 17 and 18.

Philip Re recommends that Shareholders vote in favour of Resolutions 17 and 18, having regard to the points detailed in Section 10.6 below and specifically given that:

- (a) the Conversion Agreement results in improving the Company's balance sheet;
- (b) the Conversion Agreement allows the Company to preserve existing cash reserves, which can otherwise be utilised to advance the Company's business; and
- (c) the Conversion Agreement further aligns the interests of Mr Whiddon and Mr Deakin with the interests of Shareholders given the link between the Company's performance and the value of the Related Party Shares.

10.3 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out above at Section 6.2.

The issue of the Related Party Shares constitutes giving a financial benefit and each of Mr Whiddon and Mr Deakin are related parties of the Company given that Mr Whiddon and Mr Deakin are current Directors.

As the Related Party Shares are proposed to be issued to two out of the three current Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Related Party Shares. Accordingly, Shareholder approval for the issue of the Related Party Shares to Mr Whiddon and Mr Deakin (and/or their respective nominees) is sought in accordance with Chapter 2E of the Corporations Act.

10.4 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 6.3.

The issue of the Related Party Shares to Mr Whiddon and Mr Deakin (and/or their respective nominees) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The issue therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 17 and 18 seek the required Shareholder approval for the issue of the Related Party Shares under and for the purposes of Listing Rule 10.11.

10.5 Technical information required by Listing Rule 14.1A

If Resolutions 17 and 18 are passed, the Company will be able to proceed with the issue of the Related Party Shares to Mr Whiddon and Mr Deakin (and/or their respective nominees) within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 17 and 18 are not passed, the Company will not be able to proceed with the issue of the Related Party Shares to Mr Whiddon and Mr Deakin (and/or their respective nominees). As a result, the Company will not be able to complete the Conversion Agreement and the accrued directors' fees will need to be satisfied in cash.

10.6 Technical information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 17 and 18:

- (a) the Related Party Shares will be issued to Mr Whiddon and Mr Deakin (and/or their respective nominees) and will be comprised of the following:
 - (i) 1,898,851 Shares to Mr Whiddon (and/or his nominees), with a total value of \$53,168 (based on the closing price of the Shares on 2 July 2024 (being the date of finalisation of this Notice) of \$0.028), pursuant to Resolution 17; and
 - (ii) 2,297,701 Shares to Mr Deakin (and/or his nominees), with a total value of \$64,336 (based on the closing price of the Shares on 2 July 2024 (being the date of finalisation of this Notice) of \$0.028), pursuant to Resolution 18,

each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of Mr Whiddon and Mr Deakin each being a Director;

- (b) the maximum number of Related Party Shares to be issued is 4,196,552 Shares (being the nature of financial benefit proposed to be given) and will be allocated in the proportions set out above;
- (c) the Related Party Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (d) the Related Party Shares will be issued to complete the Conversion Agreement and extinguish the accrued directors' fees owing respectively to Mr Whiddon and Mr Deakin;
- (e) the Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company issuing the Related Party Shares to Mr Whiddon and Mr Deakin (and/or their respective nominees) upon the terms proposed, noting the improved balance sheet position of the Company by completing the Conversion Agreement, the issue of the Related Party Shares to Mr Whiddon and Mr Deakin further aligns their interests with the interests of Shareholders and that settlement of the accrued directors' fees under the Conversion Agreement alleviates any need for the Company to use its cash reserves to settle these accrued directors' fees, which can otherwise be utilised to advance the Company's business;
- (f) the deemed issue price of the Related Party Shares is equivalent to the issue price under the Placement, being \$0.018. No funds will be raised pursuant to the issue of the Related Party Shares, as the Related Party Shares are being issued in lieu of accrued directors' fees in accordance with the Conversion Agreement;
- (g) the Related Party Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing fully paid ordinary shares;
- (h) the total remuneration package for each of Mr Whiddon and Mr Deakin for the previous financial year and the proposed total remuneration package for the current financial year and next financial year are set out below:

Related Party	Proposed for Financial Year Ending 30 June 2025	Current Financial Year Ending 30 June 2024	Previous Financial Year Ended 30 June 2023
Glenn Whiddon	\$48,000 ¹	\$261,179 ²	Nil
Scott Deakin	\$48,000 ¹	\$268,358 ³	Nil

Notes:

- 1. Comprising Directors' fees.
- 2. Comprising accrued Director's fees of \$34,179 and share based payments of \$227,000, being the value of the Incentive Shares and Incentive Options. It should be noted that the total value of the Related Party Shares proposed to be issued to Mr Whiddon (and/or his nominees) pursuant to Resolution 17 in

respect of accrued Director's fees under the Conversion Agreement is \$60,763 (based on the closing price of the Shares on 11 June 2024 of \$0.032).

3. Comprising accrued Director's fees of \$41,358 and share based payments of \$227,000, being the value of the Incentive Shares and Incentive Options. It should be noted that the total value of the Related Party Shares proposed to be issued to Mr Deakin (and/or his nominees) pursuant to Resolution 18 in respect of accrued Director's fees under the Conversion Agreement is \$73,526 (based on the closing price of the Shares on 11 June 2024 of \$0.032).
- (i) the Related Party Shares are not being issued under an agreement, other than per the Conversion Agreement outlined above;
 - (j) the relevant interests of Mr Whiddon and Mr Deakin in the securities of the Company as at the date of this Notice and following the Meeting (assuming that all Resolutions to be considered at the Meeting are passed and all securities the subject of the Resolutions are issued) are set out below:

As at the date of this Notice

Related Party	Shares	Options	Undiluted	Fully Diluted
Glenn Whiddon ¹	14,040,237	2,000,000	5.03%	4.44%
Scott Deakin	6,144,518	Nil	2.20%	1.70%

Notes:

1. Mr Whiddon's relevant interest includes an indirect interest in 12,558,676 Shares and 2,000,000 Options held by 6466 Investments Pty Ltd, an entity controlled by Mr Whiddon, and an indirect interest in 1,481,561 Shares held by Nautical Holdings WA Pty Ltd, an entity controlled by Mr Whiddon.

Post issue of Related Party Shares to the Directors

Related Party	Shares	Options	Undiluted	Fully Diluted
Glenn Whiddon ¹	25,439,088	8,375,000	7.25%	6.57%
Scott Deakin ²	15,192,219	5,687,500	4.33%	4.06%

Notes:

1. Includes 5,500,000 Shares and 1,375,000 New Options to be issued pursuant to Resolution 6, 4,000,000 Shares to be issued pursuant to Resolution 11, 5,000,000 New Options to be issued pursuant to Resolution 14 and 1,898,851 Shares to be issued pursuant to Resolution 17.
 2. Includes 2,750,000 Shares and 687,500 New Options to be issued pursuant to Resolution 8, 4,000,000 Shares to be issued pursuant to Resolution 13, 5,000,000 New Options to be issued pursuant to Resolution 16 and 2,297,701 Shares to be issued pursuant to Resolution 18.
- (k) if all of the Related Party Shares are issued, this will increase the number of Shares on issue from 279,275,344 Shares (being the total number of Shares on issue as at the date of this Notice) to 283,471,896 Shares (assuming that no further Shares are issued and no Options are exercised), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.48%. It should be noted however, that the dilution impacts of the issue of the Related Party

Shares will be less where all securities the subject of the Resolutions to be considered are issued, particularly where Options are exercised;

- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.0524	17 and 21 August 2023
Lowest	\$0.016	Various dates during April 2024
Last	\$0.030	13 June 2024

- (m) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 17 and 18; and
- (n) Voting prohibition statements and voting exclusion statements are included in Resolutions 17 and 18 to the Notice.

GLOSSARY

\$ means Australian dollars.

Acquisition has the meaning given at Section 1.1.

Acquisition Announcement has the meaning given at Section 1.1.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of Directors of the Company.

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

Capital Raising Fee has the meaning given at Section 8.1.

Chair means the chair of the Meeting.

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

- (o) a spouse or child of the member;
- (p) a child of the member's spouse;
- (q) a dependent of the member or the member's spouse;
- (r) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (s) a company the member controls; or
- (t) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Tennant Minerals Limited (ACN 624 970 725).

Constitution means the Company's constitution.

Conversion Agreement has the meaning given at Section 10.1.

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

CPS Capital or **Lead Manager** means CPS Capital Group Pty Ltd.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Facilitation Securities has the meaning given at Section 1.2.

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

HP Investments means HP Investments (AUS) Pty Ltd.

Incentive Options has the meaning given at Section 9.1.

Incentive Plan or **Plan** means the Company's employee incentive securities plan.

Incentive Securities has the meaning given at Section 9.1.

Incentive Shares has the meaning given at Section 9.1.

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

Lead Manager Mandate has the meaning given at Section 1.4.

Listing Rules means the Listing Rules of ASX.

LMB Options has the meaning given at Section 1.4.

New Option means an Option issued on the terms and conditions set out in Schedule 1.

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

Option means an option to acquire a Share, including a New Option.

Optionholder means a holder of an Option.

Placement has the meaning given at Section 1.3.

Placement Options has the meaning given at Section 5.1.

Placement Shares has the meaning given at Section 1.3.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Tranche 1 Placement Shares has the meaning given at Section 1.3.

Tranche 2 Placement Shares has the meaning given at Section 1.3.

Transaction Mandate has the meaning given at Section 1.2.

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

Vendor has the meaning given at Section 1.1.

SCHEDULE 1 – TERMS AND CONDITIONS OF NEW OPTIONS

The following terms and conditions apply to each of the Options:

- (a) The exercise price of each Option is \$0.03 (**Exercise Price**).
- (b) The expiry date of each Option is 31 January 2027 (**Expiry Date**).
- (c) Each Option gives the Option holder the right to subscribe for one Share.
- (d) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Option is the Exercise Price.
- (f) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (g) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,

(Exercise Notice).

- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), 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 Exercise Notice;
 - (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 (i)(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.

- (j) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (k) The Options are transferable subject to any transfer restrictions or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (n) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2 – TERMS AND CONDITIONS OF EMPLOYEE INCENTIVE SECURITIES PLAN

A summary of the material terms of the Company's Incentive Plan is set out below:

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> (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 Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Plan shares, performance rights, options and other convertible securities (Securities).
Plan administration	The Plan will be 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 (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>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 any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any

	ancillary documentation required.
Rights attaching to Convertible Securities	<p>A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right).</p> <p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).
Vesting of Convertible Securities	<p>Any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares 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. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.</p>
Exercise of Convertible Securities and cashless exercise	<p>To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation may specify that at the time of exercise of the Convertible Securities, 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.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p>

	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.
Timing of issue of Shares and quotation of Shares on exercise	As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
Restrictions on dealing with Convertible Securities	<p>A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p> <p>However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with Convertible Securities granted to them under the Plan with the consent of the Board.</p>
Listing of Convertible Securities	A Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.
Forfeiture of Convertible Securities	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where a Participant who holds Convertible Securities ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested Convertible Securities will automatically be forfeited by the Participant; (b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (d) on the date the Participant becomes insolvent; or (e) on the Expiry Date.
Change of control	If a change of control event occurs, 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 holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from

	or in connection with the change of control event.
Adjustment of Convertible Securities	<p>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.</p> <p>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 issue 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.</p> <p>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.</p>
Plan Shares	<p>The Board may, from time to time, make an invitation to an Eligible Participant to acquire Plan Shares under the Plan. The Board will determine in its sole absolute discretion the acquisition price (if any) for each Plan Share which may be nil. The Plan Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board.</p> <p>Where Plan Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Plan Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under the Rules.</p>
Rights attaching to Plan Shares	<p>All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares. 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.</p>
Disposal restrictions on Plan Shares	<p>If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>For so long as a Plan Share is subject to any disposal restrictions</p>

	<p>under the Plan, the Participant will not:</p> <p>(a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or</p> <p>(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.</p>
General Restrictions on Transfer of Plan Shares	<p>If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Plan Shares issued under the Plan (including on exercise of Convertible Securities) may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.</p> <p>Restrictions are imposed by Applicable Law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.</p> <p>Any Plan Shares issued to a holder under the Plan (including upon exercise of Convertible Securities) shall be subject to the terms of the Company's Securities Trading Policy.</p>
Buy-Back	<p>Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.</p>
Employee Share Trust	<p>The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.</p>
Maximum number of Securities	<p>The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b).</p>
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, 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.</p> <p>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</p>

	of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

SCHEDULE 3 – VALUE OF INCENTIVE OPTIONS

Using the Black & Scholes option model and based on the assumptions set out below, the New Options to be issued to the Directors (and/or their nominees) have been ascribed the following value by Konkera Corporate, which provides independent company secretarial and accounting services to the Company:

Assumptions:	
Valuation date	11/06/2024
Market price of Shares	\$0.032
Exercise price	\$0.030
Expiry date	31/01/2027
Risk free interest rate	3.93%
Volatility (discount)	100.00%
Indicative value per Option	\$0.0198
Total value of Options	
Glenn Whiddon (Resolution 14)	\$99,000
Philip Re (Resolution 15)	\$99,000
Scott Deakin (Resolution 16)	\$99,000

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

Proxy Voting Form

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

Your proxy voting instruction must be received by **11.30am (AWST) on Sunday, 11 August 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

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

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

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

PHONE:

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

