

Letter to Shareholders regarding Annual General Meeting

10 October 2024

Dear Shareholders

NOTICE OF GENERAL MEETING

Rincon Resources Limited (ASX: RCR) (**Company**) is holding its Annual General Meeting of its shareholders (**Shareholders**) on Tuesday, 12 November 2024 at 11.00am (WST) at Unit 8, 1200 Hay Street, West Perth WA 6005 (**Meeting**).

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

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

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

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

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

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

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

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

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

Proxy Forms must be received by 11.00am (WST) on Sunday, 10 November 2024.

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

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours faithfully

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

Victor Goh
Company Secretary
RINCON RESOURCES LIMITED

Rincon Resources Limited
ACN 628 003 538

Notice of Annual General Meeting

Notice is given that the Meeting will be held at:

Time: 11.00 am (Perth time)
Date: 12 November 2024
Place: Unit 8
1200 Hay Street
WEST PERTH WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (Sydney time) on 10 November 2024.

Business of the Meeting

Agenda

1. Financial Statements and Reports

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2024, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 30 June 2024."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Election of Director – Mr Michael Griffiths

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

"That, for the purposes of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Michael Griffiths, a Director, who was appointed as an additional director on 3 June 2024, retires, and being eligible, is re-elected as a Director."

4. Resolution 3 – Re-election of Director – Mr Don Strang

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

"That, for the purposes of clause 14.2 of the Constitution and for all other purposes, Mr Don Strang, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. Resolution 4 – Approval of 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling up to 10% of the issued capital of the Company"

at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

6. Resolution 5 – Replacement of Constitution

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of section 136(2) and 136(1)(b) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chair for identification purposes."

Dated: 10 October 2024

By order of the Board



Victor Goh
Company Secretary

Voting exclusion statements

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

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

Voting in person

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

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

Explanatory Statement

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

1. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Annual Report is available on its website at <https://www.rinconresources.com.au>

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Annual Report and the management of the Company. Shareholders will also be given an opportunity to ask the auditor questions as permitted by the Corporations Act.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

The vote on Resolution 1 is advisory only and does not bind the Company or its directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the adoption of the remuneration report at that meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. Resolution 2 – Election of Directors – Mr Michael Griffiths

3.1 General

The Constitution sets out the requirements for determining which Directors are to retire at an annual general meeting.

Clause 14.4 of the Constitution provides that a director appointed by the Board as an additional director holds office only until the next following annual general meeting, at which they are eligible for re-election.

ASX Listing Rule 14.4 also requires that a director appointed as an additional director must not hold office (without re-election) past the next annual general meeting of the company.

Mr Michael Griffiths was appointed as an additional director on 3 June 2024. He is therefore required seek re-election at the Meeting in order to continue as a director.

3.2 Qualifications and other material directorships

Michael Griffiths is a qualified geologist, a Fellow of AusIMM, and a graduate of the Australian Institute of Company Directors. He has more than 35 years of experience covering all facets of the minerals and energy sector, including over 20 years' experience in Africa with roles ranging from geologist to managing director of a producing copper company.

Mr Griffiths is a current director and vice-president exploration of Velox Energy Materials Inc (TSX-V) and has previously been a director of ASX listed companies including Tiger Resources Ltd, RMG Ltd, East Africa Resources Ltd, Chrysalis Resources Ltd, Mozambi Coal Ltd, Chalice Gold Mines Ltd, and Sub-Sahara Resources NL.

3.3 Independence

The Board considers that Mr Griffiths is independent.

3.4 Board recommendation

The Board supports the re-election of Mr Griffiths and recommends that Shareholders vote in favour of Resolution 2.

4. Resolution 3 - Re-election of Director – Mr Don Strang

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Clause 14.2 provides that at each annual general meeting, one third of the directors, or the number nearest one third (rounded up in case of doubt), shall retire and may seek re-election. The directors to retire at the annual general meeting are those who have been in office the longest since their last re-election. Directors appointed as additional directors by the Board are not taken into consideration in determining the number of directors to retire under Clause 14.2.

The two directors who have held office for the longest time without re-election (other than the Managing Director, who is not subject to retirement by rotation) are Mr Blair Sergeant and Mr Don

Strang, who were both re-elected at the 2022 AGM and have therefore been in office for the same length of time since their last re-election. The Directors have agreed that Mr Don Strang will retire and stand for re-election at this year's AGM. Mr Strang has served as a director since 18 August 2022, and was last elected on 30 November 2022.

4.2 Qualifications and other material directorships

Mr Strang is a member of the Australian Institute of Chartered Accountants and has more than 25 years' experience in corporate finance and the mining and resources industry with a focus on oil and gas, and mining exploration and development projects. He has experience in strategic planning, business development, project evaluation and development, project funding, management, finance and operations.

Mr Strang has held senior financial and management positions in both publicly listed and private enterprises in Australia, Europe and Africa. In addition, Mr Strang is a graduate of the University of Western Australia with a Bachelor of Commerce majoring in Finance and Accounting as well as Graduate Diploma in Applied Finance with a major in investment analysis from the Securities Institute of Australia. Mr Strang is currently an Executive Director of Cadence Minerals plc, and of Gunsynd plc.

4.3 Independence

The Board considers that Mr Strang is an independent director.

4.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Approval of 10% Placement Capacity

5.1 General

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

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%.

An "eligible entity" means an entity which is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less at the date of the Meeting. The Company is an eligible entity for these purposes as at the Disclosure Date (292,562,433 Shares at a Share price of \$0.024 being a market capitalisation of \$7,021,498).

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval (**Additional Issuance Capacity**).

If Resolution 4 is not passed, the Company will not be able to access the Additional Issuance Capacity and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Board considers it is in the Company's best interests to have the opportunity to take advantage of the flexibility to issue additional securities provided under ASX Listing Rule 7.1A. As at the date of this Notice, no decision has been made by the Board to undertake any issue of securities under the Additional Issuance Capacity if Shareholders approve Resolution 4. The Board unanimously recommend that Shareholders vote in favour of Resolution 4.

The information below provides more background on ASX Listing Rule 7.1A and the disclosure required by ASX Listing Rule 7.3A.

5.2 Description of ASX Listing Rule 7.1A

(a) Securities which may be issued under the Additional Issuance Capacity

Under the Additional Issuance Capacity, the Company must issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the Company has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX Code: **RCR**).

(b) Minimum issue price

The issue price of each Equity Security issued under the Additional Issuance Capacity must be no less than 75% of the volume weighted average price for the securities in that class, calculated over the 15 ASX trading days on which trades of securities in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the securities are not issued within 10 ASX trading days of the date in paragraph (i) above, the date on which the securities are issued.

The Company will disclose this information when Equity Securities are issued under the Additional Issuance Capacity.

(c) Period for which approval will be valid

Shareholder approval of the Additional Issuance Capacity will be valid for the period commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting; or
- (ii) the time and date of the Company's next annual general meeting;
- (iii) if the Company receives Shareholder approval for a proposed transaction under ASX Listing Rule 11.1.2 (significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking), the time and date of that approval.

(Additional Issuance Period).

(d) Dilution risks

If Equity Securities are issued under the Additional Issuance Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities in the class of securities issued under the Additional Issuance Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A (that is, the date of the Meeting, if Resolution 4 is approved); and
- (ii) the Equity Securities may be issued under the Additional Issuance Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares and the number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2, based on the number of Shares on issue as at the Disclosure Date.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as described immediately above. The number of ordinary securities on issue may also increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at the Disclosure Date.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)*	Dilution			
	Issue Price (per Share)	\$ 50% decrease	\$ Issue Price	\$ 50% increase
292,562,433 (Current Variable A)	Shares issued	29,256,243	29,256,243	29,256,243
	Funds Raised	\$351,075	\$702,150	\$1,053,225
438,843,650 (50% increase)	Shares issued	43,884,364	43,884,364	43,884,364
	Funds Raised	\$526,612	\$1,053,225	\$1,579,837
585,124,866 (100% increase)	Shares issued	58,512,486	58,512,486	58,512,486
	Funds Raised	\$702,150	\$1,404,300	\$2,106,449

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- As at the Disclosure Date there are 292,562,433 Shares on issue.
- The issue price set out above is the closing price of the Shares on the ASX on the Disclosure Date.
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- The issue of Equity Securities under the Additional Issuance Capacity consists only of Shares and the consideration provided for those Shares is cash. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(e) **Purpose of issue under Additional Issuance Capacity**

The Company may issue Equity Securities under the Additional Issuance Capacity to raise cash to fund the following:

- (i) general working capital expenses;
- (ii) activities associated with its current assets;
- (iii) repayment of debt; or

- (iv) the acquisition of new assets and investments (including any expenses associated with such an acquisition).

The Company will comply with the disclosure required by ASX Listing Rule 7.1A.4 on issue of any Equity Securities issued pursuant to the approval sought by Resolution 4.

(f) **Allocation policy under Additional Issuance Capacity**

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional Issuance Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional Issuance Capacity, including whether the Company will engage with new investors or existing Shareholders, and if so the identities of any such persons.

However, when determining the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

- (i) prevailing market conditions;
- (ii) the purpose for the issue of the Equity Securities;
- (iii) the financial situation and solvency of the Company;
- (iv) impacts of the placement on control;
- (v) other methods of raising capital; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties or associates of related parties of the Company.

(g) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 29 November 2023 (**Previous Approval**).

The Company made two separate issues of Equity Securities pursuant to the Previous Approval, as components of capital raisings.

- (i) 17,692,109 Shares issued on 22 January 2024 (as part of the capital raising of \$1.43 million by the issue of a total of 43,488,478 Shares at \$0.033 per Share, with the other 25,796,369 Shares being issued using Placement Capacity under Listing Rule 7.1), announced on 12 January 2024) (**January 2024 Placement**) (**January 2024 Capital Raising Shares**); and
- (ii) 23,035,675 Shares issued on 30 May 2024 (as part of the capital raising of \$5.6 million by the issue of a total of 56,000,000 Shares at \$0.10 per Share, with the other 32,964,325 Shares being issued using Placement Capacity under Listing Rule 7.1) announced on 22 May 2024) (**May 2024 Placement**) (**May 2024 Capital Raising Shares**)

The issue of all Securities issued under both the January 2024 Placement and the May 2024 Placement have subsequently been ratified under Listing Rule 7.4 at Extraordinary General Meetings (**EGMs**). The issue of the January 2024 Capital Raising Shares was ratified under Resolution 2 at the EGM held on 8 March 2024, and the issue of the May 2024 Capital Raising Shares was ratified under Resolution 2 at the EGM held on 30 July 2024.

The Company discloses the following information in respect of these issues made under the Previous Approval, as required by Listing Rule 7.3A.6:

- (iii) The total number of Equity Securities issue or agreed to be issued under Listing Rule 7.1A.2 since the Previous Approval was 40,956,767 Shares (comprising the 17,692,109 January Capital Raising Shares and 23,035,675 May Capital Raising Shares). This represents 23.14% of the number of Shares on issue as at the date of the Previous Approval (which was 176,921,092).
- (iv) The January 2024 Capital Raising Shares and May 2024 Capital Raising Shares were issued on both occasions to sophisticated and professional investors introduced by the Lead Managers to the respective Placements, the allottees being determined in consultation with the Directors. None of the subscribers were a related party of the Company or an associate of any of them, or a party to whom an issue of equity securities requires Shareholder approval under ASX Listing Rule 10.11. None of the allottees was a person whose identity would be deemed to be material in terms of the criteria in s ASX Listing Rules Guidance Note 21 (being members of Key Management Personnel, Company advisers, substantial shareholders, or associates of any of these parties, who were issued a number of shares equal to or greater than 1% of the Company's issued capital at the time).
- (v) The January 2024 Capital Raising Shares and May 2024 Capital Raising 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.
- (vi) The January 2024 Capital Raising Shares were issued at an issue price of \$0.033 each, which represented a discount of 10% to the 15 day VWAP to 9 January 2024 (being the latest trading day before the trading halt preceding the announcement of the January 2024 Placement).
- (vii) The May 2024 Capital Raising Shares were issued at an issue price of \$0.10 each, which represented the 10 day VWAP to 17 May 2024 (being the latest trading day before the trading halt preceding the announcement of the May 2024 Placement).
- (viii) The Company received total cash consideration of \$583,839 (before costs of the offer) from the issue of the January 2024 Capital Raising Shares using the Additional Placement Capacity (out of a total of \$1,435,120 raised under that capital raising as a whole), which it used to provide capital for the following purposes:
 - (A) Fund exploration costs on its projects;
 - (B) Working capital; and
 - (C) Offer costsAs at the Disclosure Date no remains to be spent.
- (ix) The Company received total cash consideration of \$2,303,567 (before costs of the offer) from the issue of the May 2024 Capital Raising Shares using the Additional Placement Capacity (out of a total amount of \$5,600,000 raised under that capital raising as a whole), which it is using to provide capital for the following purposes:
 - (A) Funding exploration costs on its existing projects ;
 - (B) Working capital;

(C) Costs of the offer;

As at the Disclosure Date, approximately \$1,600,000 of this amount has been spent, on the above with approximately \$700,000 remaining to be spent.

5.3 Voting exclusion

At the time of dispatching this Notice, the Company is not proposing to make an issue of Equity Securities under the Additional Issuance Capacity, and a voting exclusion statement is therefore not included in this Notice.

6. Resolution 5 – Replacement of Constitution

6.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders.

Resolution 5 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed Australian public company reflecting the current provisions of the Corporations Act and ASX Listing Rules, including changes since the Company's existing Constitution was adopted at incorporation.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available upon request to the Company Secretary.

6.2 Summary of material proposed changes

Issue cap for offers involving monetary consideration under an employee incentive scheme (clause 2.16)

Effective 1 October 2022, the Corporations Act was amended to introduce new provisions governing the offer and issue of securities under employee incentive schemes. Amongst other things, these provisions grant exemptions from the Corporations Act's disclosure and licensing requirements in relation to such offers and issues.

Under these new provisions, offers under employee incentive schemes that are made for monetary consideration must comply with the issue cap in section 1100V of the Corporations Act, in order to have the benefit of the exemptions from the Corporations Act's disclosure and licensing requirements.

In summary, section 1100V(1) of the Corporations Act (as modified by ASIC Corporations (Employee Share Schemes) Instrument 2022/1021), provides that a company may only make an offer of ESS Interests (defined in section 1100M(1) of the Corporations Act, but essentially Equity Interests for the purpose of the Equity Incentive Plan) if, at the time the offer is made, the company reasonably believes:

- (a) the total number of fully paid shares that are, or are covered by, the ESS Interests of the company that may be issued under the offer; and
- (b) the total number of fully paid shares that are, or are covered by, the ESS Interests that have been issued, or may be issued, under offers that were both received in this jurisdiction and made under an employee share scheme of the company at any time during the 3 year

period ending on the day the offer is made,

does not exceed 5% of the number of fully paid shares actually on issue as at the start of the day the offer is made.

Although section 1100V of the Corporations Act does not apply if an entity only makes offers under section 1100P of the Corporations Act (offers for no monetary consideration) or only relies on section 1100R of the Corporations Act (offers that would otherwise not need disclosure), if some offers are also made in reliance on section 1100Q of the Corporations Act (offers for monetary consideration), then equity interests issued for no monetary consideration or under another disclosure exemption subject to section 1100R of the Corporations Act must still be included when calculating the issue cap.

Section 1100V(2)(a) of the Corporations Act states that a company's constitution can specify an alternative issue cap percentage.

The Proposed Constitution provides for a higher issue cap percentage of 10%.

The Board notes that regardless of the passing of Resolution 7, any proposed issue of Equity Incentives to a Director, or any of their associates, under the Plan will still require prior Shareholder approval under ASX Listing Rule 10.14.

If Resolution 7 is passed, the Company will replace its Constitution with the Proposed Constitution with effect from the date this Resolution is passed.

If Resolution 7 is not passed, the Company will retain its Constitution and, in this regard, the issue cap that will apply under section 1100V of the Corporations Act will remain at the statutory percentage of 5%.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution provides a streamlined approach in line with the requirements for dealing with "unmarketable parcels" outlined in the ASX Listing Rules. Clause 3 of the Proposed Constitution outlines in detail the process that the Company must follow for dealing with unmarketable parcels.

Use of technology at general meetings (clause 14)

Pursuant to amendments to the Corporations Act in 2022, companies are permitted to hold virtual only meetings subject to certain conditions.

If Resolution 8 is approved, the Proposed Constitution will provide greater flexibility and clarity around how the Company may conduct 'hybrid' or 'virtual' meetings in the future. Consequential provisions are also included to ensure that 'online' attendees are treated as being present at the meeting and are counted for the purposes of determining a quorum and to confirm that the Directors may prescribe the detailed procedures by which meetings held with technological assistance may be conducted.

The Board considers the proposed amendments are in the best interests of Shareholders because they provide flexibility, clarity and efficiency in relation to the manner in which meetings can be convened and held.

Partial (proportional) takeover provisions (clause 37)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption or last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
 - (i) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
 - (ii) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the inclusion of the proportional takeover provisions in the Proposed Constitution is in the interests of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 8.

Glossary

\$ means Australian dollars.

Additional Issuance Capacity has the meaning in Section 5.1.

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

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2024.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

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

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director Options means the Options the subject of Resolutions 3 to 6 on the terms set out in Schedule 1.

Directors means the current directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Disclosure Date means 25 September 2024.

Equity Securities means a Share, a right to a Share or Option, an Option, a convertible security, and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

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

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

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's Report.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

Proxy Voting Form

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

Your proxy voting instruction must be received by **11.00am (AWST) on Sunday, 10 November 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
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Sydney NSW 2000

BY EMAIL:

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BY FACSIMILE:

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