

## 2024 ANNUAL GENERAL MEETING

Dear Shareholder

Notice is hereby given that the 2024 Annual General Meeting (**Meeting**) of **South Harz Potash Ltd** (ASX:SHP) (South Harz) will be held as a physical meeting at:

Boab Room, BDO, Mia Yellagonga Tower 2,

5 Spring Street **Perth, WA 6000**

**Thursday 28 November 2024 at 3:00pm (AWST)**

In accordance with section 253RA(2) of the Corporations Act 2001 (Cth), the Company will not be sending hard copies of the Notice to shareholders unless a shareholder has requested a hard copy. A copy of the Notice of Meeting (NOM) is available on the Company's website at

[www.southharzpotash.com](http://www.southharzpotash.com)

As you have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry, Automic Pty Limited, using any of the following methods:

### Easiest method

**By mobile** Scan the QR code on your proxy form with the camera on your mobile device and follow the prompts.

### Other methods

**Online** <https://investor.automic.com.au/#/loginsah>

**By mail** Share Registry – Automic Pty Limited,  
GPO Box 5193, Sydney NSW 2001, Australia

Your proxy voting instruction must be received by 3:00pm (AWST) on 26 November 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The NOM 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. If you have any difficulties obtaining a copy of the NOM please contact the Company Secretary on +61 408 447 493.

**Yours sincerely**



Len Jubber  
**Chairman**

### CONTACT DETAILS

**W:** southharzpotash.com

**E:** [info@southharzpotash.com](mailto:info@southharzpotash.com)

**P:** +61 (0) 408 447 493

**ABN:** 64 153 414 852

**ASX Code:** SHP

**Frankfurt Code:** A2DWXX

**944.2M** Ordinary Shares

**113.4M** Unlisted Options

## **Your right to elect to receive documents electronically or physically**

The *Corporations Amendment (Meetings and Documents) Act 2022 (Amendment Act)* includes a new requirement for public companies and listed companies to give shareholders notice of their right to elect to be sent documents electronically or physically by the company in section 110K of the Corporations Act.

Recent legislative changes to the Corporations Act 2001 (Cth) mean there are new options for how South Harz shareholders receive communications. South Harz will no longer send physical meeting documents unless a shareholder requests a copy to be mailed.

## **Providing your email address to receive shareholder communications electronically**

South Harz encourages all shareholders to provide an email address so we can provide investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

By providing your email address, you will:

- Support the company by reducing the cost of mailing/postage
- Receive your investor communications faster and in a more secure way
- Help the environment through the need for less paper

## **How do I update my communications preferences?**

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communications preferences, or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>

If you are a shareholder and would like a physical copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

**Telephone (within Australia):** 1300 288 664

**Telephone (outside Australia):** +61 2 9698 5414

**Email:** [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

**Website:** <https://investor.automic.com.au/>

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## **SOUTH HARZ POTASH LTD**

**ACN 153 414 852**

## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 3pm (WST)

**DATE:** Thursday 28 November 2024

**PLACE:** Boab Room, BDO, Mia Yellagonga Tower 2, 5 Spring Street,  
Perth WA 6000, AUSTRALIA

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

***This Notice 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 5:00 pm (WST) on Tuesday 26 November 2024.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2024, together with the declaration of the Directors, the Director's 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 Company's annual financial 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.**

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

#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR REINOUT KOOPMANS

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

*“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Dr Reinout Koopmans, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

#### 4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF 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 55,221,736 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 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO MORGANS CORPORATE LIMITED – 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, approval is given for the Company to ratify the issue of 3,500,000 Options to Morgans Corporate Limited on the terms and conditions set out in the Explanatory Statement.”*

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

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**6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1 & 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:*

- (a) 58,733,300 Shares to sophisticated and institutional investors; and
  - (b) 4,150,000 Shares issued in lieu of service fees,
- on the terms and conditions out in the Explanatory Statement.”*

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

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**7. RESOLUTION 6 – ISSUE OF SHARES TO RELATED PARTY – LEN JUBBER**

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 5,000,000 Shares at an issue price of \$0.01 per share, to Mr Len Jubber (or his nominee/s);*

*on the terms and conditions set out in the Explanatory Statement.”*

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

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**8. RESOLUTION 7 – ISSUE FOR DIRECTOR PARTICIPATION IN PLACEMENT – LISTING RULE 10.11**

To consider and, if thought fit, to pass, with or without amendment, 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:*

- (a) 14,367,718 Placement Shares to Mr Len Jubber (or a nominee);
- (b) 17,666,763 Placement Shares to Mr Rory Luff (or a nominee); and
- (c) 8,082,209 Placement Shares to Dr Reinout Koopmans (or a nominee),

*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.

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**9. RESOLUTION 8 – APPROVAL TO ISSUE PERFORMANCE RIGHTS – LISTING RULE 10.11**

To consider and, if thought fit, to pass 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 31,500,000 Performance Rights to Mr Len Jubber (or a nominee) 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.

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**10. RESOLUTION 9 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO DIRECTORS – LISTING RULE 10.11**

To consider and, if thought fit, to pass, with or without amendment, 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:*

- (a) 4,000,000 Performance Rights to Mr Rory Luff (or a nominee); and*
- (b) 4,000,000 Performance Rights to Dr Reinout Koopmans (or a nominee),*

*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.

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**11. RESOLUTION 10 – ADOPTION OF EMPLOYEE INCENTIVE SECURITIES PLAN**

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

*“That, for the purposes of ASX Listing Rule 7.2 Exception 13, as an exception to ASX Listing Rule 7.1, and for all other purposes, the Shareholders provide approval to the Company to adopt employee incentive scheme titled “South Harz Potash Limited Employee Incentive Securities Plan” (**Securities Incentive Plan**) and for the issue of up to 100,000,000 securities under that Securities 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.

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**12. RESOLUTION 11 – APPROVAL OF 7.1A MANDATE**

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 up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”*

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**13. RESOLUTION 12 – 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) of the Corporations Act, approval is given for the Company to repeal its existing Constitution and adopt the new constitution tabled at the meeting and signed by the Chair of the Meeting for the purposes of identification, with effect from the close of the Meeting.”*

## Voting Prohibition Statements

<b>Resolution 1 – Adoption of Remuneration Report</b>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) 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:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(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.</li> </ul> </li> </ul>
<b>Resolution 7 (a), (b) and (c) – Approval for Director Participation in Placement</b>	<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 (<b>Excluded Party</b>). 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 an 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"> <li>(a) the proxy is either:</li> <li>(b) a member of the Key Management Personnel; or <ul style="list-style-type: none"> <li>(i) a Closely Related Party of such a member; and</li> <li>(ii) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> </li> </ul> <p>Provided the Chair is not an Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(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.</li> </ul>
<b>Resolution 8 – Issue of Performance Rights</b>	<p>In accordance with section 250BD and section 200E(2A) 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"> <li>(a) the person is either: <ul style="list-style-type: none"> <li>(i) a member of the Company’s Key Management Personnel; or</li> <li>(ii) a Closely Related Party of a member of the Company’s Key Management Personnel; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on the resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair of the Meeting; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Company’s Key Management Personnel.</li> </ul> <ul style="list-style-type: none"> <li>(a) The Chair intends to vote all available undirected proxies in favour of this Resolution.</li> </ul>
<b>Resolution 9 (a) and (b) – Approval to issue Options to Directors – Listing Rule 10.11</b>	<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 (<b>Excluded Party</b>). 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 an 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"> <li>(c) the proxy is either:</li> <li>(d) a member of the Key Management Personnel; or <ul style="list-style-type: none"> <li>(i) a Closely Related Party of such a member; and</li> <li>(ii) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> </li> </ul> <p>Provided the Chair is not an Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(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.</li> </ul>

<b>Resolution 10 – Adoption Of Incentive Option Plan</b>	<p>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>However, 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>
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### 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:

<b>Resolution 3 – Ratification of Placement Shares – Listing Rule 7.1</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely sophisticated and professional investors who participated in the Placement) or an associate of that person or those persons.
<b>Resolution 4 – Ratification of Prior issue of Options to Morgans Corporate Limited – Listing Rule 7.1</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely Morgans Corporation Limited) or an associate of that person or those persons.
<b>Resolution 5(a) – Ratification of Prior Issue of Placement Shares – Listing Rule 7.1A</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely sophisticated and professional investors who participated in the Placement) or an associate of that person or those persons.
<b>Resolution 5(b) – Ratification of Prior Issue of Placement Shares – Listing Rule 7.1A</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely Fivemark Capital Pty Ltd) or an associate of that person or those persons.
<b>Resolution 6 - Issue of Shares to Related Party – Len Jubber</b>	Len Jubber (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7(a)– Approval for Director Participation in Placement – Len Jubber</b>	Len Jubber (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7(b)– Approval for Director Participation in Placement – Rory Luff</b>	Rory Luff (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7(c) Approval for Director Participation in Placement – Reinout Koopmans</b>	Reinout Koopmans (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 8 – Issue of Performance Rights – Listing 10.11</b>	Len Jubber (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 9(a) – Approval to issue Options to Directors – Len Jubber</b>	Len Jubber (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 9(b) – Approval to issue Options to Directors – Rory Luff</b>	Rory Luff (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 9(c) – Approval to issue Options to Directors – Reinout Koopmans</b>	Reinout Koopmans (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 10 – Approval of Incentive Performance Rights Plan</b>	A person who is eligible to participate in the employee incentive scheme 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**

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To vote by proxy, please complete the Proxy Form 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 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 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**

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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 please do not hesitate to contact the Company Secretary on +61 408 447 493.***

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## EXPLANATORY STATEMENT

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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.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the *Corporations Act*, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.southharzpotash.com](http://www.southharzpotash.com).

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### 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

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 remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

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## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR REINOUT KOOPMANS

### 3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

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

Dr Reinout Koopmans, who has served as a Director since 8 January 2019 and was last re-elected on 1 November 2022, retires by rotation and seeks re-election.

### 3.2 Qualifications and other material directorships – Dr Reinout Koopmans

Dr Koopmans has not held any other directorships in listed companies during the last 3 years.

Dr Koopmans spent 15 years in investment banking, based in London. He was responsible globally for public equity raising for natural resource companies at Deutsche Bank and he led the European equity capital markets team at Jefferies International. In the 1990's, Reinout was a management consultant with McKinsey & Co in Germany and South-East Asia. He has significant business experience in Germany. Reinout has a PhD and master's degree from the London School of Economics, and a degree from Erasmus University, Rotterdam.

### 3.3 Independence

If re-elected the Board considers Mr Koopman will be an independent Director.

### 3.4 Board recommendation

The Board has reviewed Mr Koopmans' performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Koopmans and recommends that Shareholders vote in favour of Resolution 2.

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## 4. RESOLUTIONS 3 & 4 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS UNDER PLACEMENT

### 4.1 General

On 22 December 2023, the Company issued 55,221,736 Shares at \$0.023 per Share to sophisticated and professional investors to raise \$1,270,100 via a private placement (**Placement**). In addition to the Placement the Company also conducted a non-renounceable rights issue on a 1 for 15 basis to eligible shareholders (**Rights Issue**). Further details are set out in the announcement dated 15 December 2023.

The Company engaged Morgans Corporate Limited (**Morgans**) to act as lead manager and bookrunner to the Placement and Rights Issue. Pursuant to the lead manager mandate, Morgans received a 6% fee on the gross proceeds raised under the Placement as well as

3,500,000 Options exercisable at \$0.08 each and expiring on 22 December 2026 (**Lead Manager Options**).

Resolution 3 seeks Shareholder ratification for the prior issue of 55,221,736 Shares under the Placement.

Resolution 4 seeks Shareholder ratification for the prior issue of 3,500,000 Lead Manager Options.

The issue of the Shares and Lead Manager Options did not breach Listing Rule 7.1 at the time of issue.

#### **4.2 ASX Listing Rule 7.1**

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

Under Listing Rule 7.1A, 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's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolutions 4 and 5 being passed at this Meeting.

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

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 Shares and Lead Manager Options.

Resolutions 4 and 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares and Lead Manager Options.

#### **4.3 Technical information required by Listing Rule 14.1A**

By ratifying the issue of the Shares and Lead Manager Options the subject of Resolutions 3 and 4 the Company will retain the flexibility to issue equity securities in the future up to the combined 25% annual placement capacity set out in ASX Listing Rule 7.1 and 7.1A without the requirement to obtain prior Shareholder approval.

If Resolutions 3 and/or 4 are not passed, the issue of the Shares and Lead Manager Options is still valid however it will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 and 7.1A for 12 months following the issue.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 10 being passed at this Meeting.

#### **4.4 ASX Listing Rule 7.5 – Resolution 3**

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the Share issue the subject of Resolution 3 in accordance with ASX Listing Rule 7.5:

- (a) the Shares the subject of Resolution 3 were issued to sophisticated and professional investors, none of which were related parties of the Company. The investors were identified as part of a book build process, managed by Morgans Corporate Limited;
- (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) a total of 55,221,736 fully paid ordinary Shares were issued under Resolution 3;
- (d) the Shares the subject of Resolution 3 were issued and allotted on 22 December 2023;
- (e) the Shares the subject of Resolution 3 were issued at \$0.023 each. The company has not and will not receive any other consideration for the issue of these Shares;
- (f) the Shares the subject of Resolution 3 are fully paid ordinary Shares in the capital of the Company, ranking equally in all respects with the Company's existing Shares on issue;
- (g) a total of \$1,270,100 in capital was raised from the issue of the shares under the Placement. The proceeds from the Placement have been used to fund the following:
  - i. completion of the Pre Feasibility Study on South Harz's flagship Ohmgebirge potash development;
  - ii. complete commercial terms for the existing brownfields infrastructure;
  - iii. consultation for the spatial permitting process;
  - iv. continued engagement with strategic parties; and
  - v. general working capital;
- (h) the Shares issued under Resolution 3 were not issued under an agreement; and
- (i) a voting exclusion statement is included in the Notice.

#### **4.5 ASX Listing Rule 7.5 – Resolution 4**

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the Share issue the subject of Resolution 4 in accordance with ASX Listing Rule 7.5:

- (a) the Lead Manager Options the subject of Resolution 4 were issued to Morgans Corporation Limited, the lead manager of the Placement. Morgans are not a related party of the Company;

- (b) a total of 3,500,000 Lead Manager Options were issued under Resolution 4;
- (c) the Lead Manager Options the subject of Resolution 4 were issued and allotted on 22 December 2023;
- (d) the Lead Manager Options are unlisted options, exercisable at \$0.08 each and expire on 21 December 2026. The terms and conditions of the Lead Manager Options are detailed in Annexure A;
- (e) the Lead Manager Options were issued at a nil issue price, in consideration for lead manager and bookrunner services pursuant to a lead manager mandate between the Company and Morgans. The Company has not and will not receive any consideration for the issue of the Lead Manager Options (other than in respect of funds received on the exercise of the Lead Manager Options);
- (f) pursuant to the lead manager mandate summarised in section 4.1, the Company agreed to issue the Lead Manager Options and pay Morgans a 6% fee on the gross proceeds raised under the Placement;
- (g) a voting exclusion statement is included in the Notice.

#### **4.6 Directors' Recommendation**

The Directors of the Company believe that Resolutions 3 and 4 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 3 and 4.

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## **5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER AUGUST PLACEMENT**

### **5.1 General**

On 9 August 2024, the Company completed a placement of Shares to sophisticated and professional investors through the issue of 62,883,300 Shares at \$0.01 per Share (**August Placement**). Further details of the August Placement are set out in the ASX announcement dated 1 August 2024.

The Company also conducted a pro rata non-renounceable rights issue to eligible shareholders on a 1 for 3 basis at an issue price of \$0.01 per Share (**August Rights Issue**). Further details pertaining to the August Rights Issue can be found in the Prospectus dated 9 August 2024.

The August Placement comprised the following:

- (a) 40,116,690 Shares subscribed for by Directors and subject to Shareholder approval under Resolution 7;
- (b) 58,733,300 Shares issued to sophisticated and institutional investors under the Company's Listing Rule 7.1A placement capacity on 9 August 2024, ratification of which is sought under Resolution 5(a); and
- (c) 4,150,000 Shares issued to Fivemark Capital Pty Ltd on 9 August 2024, a service provider of the Company, whose accounts payable balance totalled the amount payable for the 4,150,000 Shares, issued under the Company's Listing Rule 7.1 placement capacity, ratification of which is sought under Resolution 5(b).

Resolution 5 is made up of two, separate ordinary resolutions. Resolution 5(a) seeks Shareholder ratification for the prior issue of 58,733,300 Shares under the August

Placement. Resolution 5(b) seeks Shareholder ratification for the prior issue of 4,150,000 Shares issued to a service provider of the Company (further details provided in section 5.4 below).

The issue of the Shares did not breach Listing Rule 7.1 or 7.1A at the time of issue.

## **5.2 ASX Listing Rule 7.1 and 7.1A**

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

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

The Company obtained approval to increase its placement capacity limit to 25% at the annual general meeting held on 26 October 2023.

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

By ratifying the issue of the Shares the subject of Resolutions 5(a) and (b) and the MPS Lead Manager Options the subject of Resolution 6 the Company will retain the flexibility to issue equity securities in the future up to the 25% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5(a) and 5(b) are not passed, the issue of the Shares is still valid however it will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue. The Shares will therefore 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 that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the respective Equity Securities.

## **5.3 ASX Listing Rule 7.5 – Resolution 5(a)**

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the Share issue the subject of Resolution 5(a) in accordance with ASX Listing Rule 7.5:

- (a) the Shares the subject of Resolution 5(a) were issued to sophisticated and professional investors, none of which were related parties of the Company. The investors were identified as part of a book build process, managed by MPS. These Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1A;
- (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) a total of 58,733,300 Shares were issued under Resolution 5(a);
- (d) the Shares the subject of Resolution 5(a) were issued and allotted on 9 August 2024;
- (e) the Shares the subject of Resolution 5(a) were issued at \$0.01 each to raise \$587,333 (before costs of the August Placement). The Company has not and will not receive any other consideration for the issue of these Shares;
- (f) the Shares the subject of Resolution 5(a) are fully paid ordinary Shares in the capital of the Company, ranking equally in all respects with the Company's existing Shares on issue;
- (g) The proceeds from the August Placement have been used to fund the following:
  - i. detailed due diligence activities, ahead of the execution of binding agreements for the transformational Sollstedt Mine acquisition;
  - ii. internal value engineering and optimisation studies for the brownfield
  - iii. evaluation of strategic alternatives towards a definitive feasibility study for the Ohmgebirge Potash Development; and
  - iv. general working capital;
  - v. costs associated with the August Placement;
- (h) the shares the subject of Resolution 5(a) were not issued under an agreement; and
- (i) a voting exclusion statement is included in the Notice.

#### **5.4 ASX Listing Rule 7.5 – Resolution 5(b)**

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the Share issue the subject of Resolution 5(b) in accordance with ASX Listing Rule 7.5:

- (a) the Shares the subject of Resolution 5(b) were issued to Fivemark Capital Pty Ltd (**Fivemark**), a service provider to the Company. Fivemark is not a related party of the Company;
- (b) a total of 4,150,000 fully paid ordinary Shares were issued under Resolution 5(b) pursuant to the Company's Listing Rule 7.1 placement capacity;
- (c) the Shares the subject of Resolution 5(b) were issued and allotted on 9 August 2024;
- (d) the Shares the subject of Resolution 5(b) were issued at a deemed issue price of \$0.01 each. The Shares the subject of Resolution 5(b) were issued to Fivemark, who agreed to subscribe for Shares under the August Placement of an amount equivalent to the accounts payable by the Company to the service provider, being \$41,500. Accordingly no funds were raised from the issue of Shares the subject of Resolution 5(b). The Company's use of funds from the August Placement and Rights Issue is detailed in section 5.3 above;
- (e) the Shares the subject of Resolution 5(b) are fully paid ordinary Shares in the capital of the Company, ranking equally in all respects with the Company's existing Shares on issue;



- (f) the Shares were not issued under an agreement; and
- (g) a voting exclusion statement is included in the Notice.

## 5.5 Directors' Recommendation

The Directors of the Company believe that Resolutions 5(a) and 5(b) are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 5(a), 5(b) and 6.

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## 6. RESOLUTION 6 – ISSUE OF SHARES TO RELATED PARTY – LEN JUBBER

### 6.1 General

On 8 October 2024, the Company announced that it had received binding commitments from Len Jubber (Executive Chairman) to subscribe for 5,000,000 Shares at \$0.01 (being \$50,000) via a private placement on the same terms as the shortfall offer under the prospectus dated 9 August 2024 (**Participation**).

Resolution 6 seeks Shareholder approval for Executive Chairman and Director Mr Len Jubber (or his nominee(s)) to take a share placement in the Company, for a total of 5,000,000 Shares at an issue price of \$0.01 / share. (**Director Participation**)

Should Resolution 6 be passed, the Company will receive an additional \$50,000 from the Director Participation to be applied working capital of the Company.

### 6.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Securities to Mr Jubber (or his nominee(s)) constitutes giving a financial benefit and Mr Jubber is a related party of the Company by virtue of being a director of the Company.

In respect of the Resolution, the Directors (other than Mr Jubber 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 Resolution 6 because the Securities will be issued on the same terms as the Securities issued under Resolution 5 to non-related party participants 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:

- (a) a related party;

- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 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 Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 6 seek the required Shareholder approval for the issue of the Securities under and for the purposes of Listing Rule 10.11.

#### **6.4 Technical information required by Listing Rule 14.1A**

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Securities to Mr Jubber (or his nominee(s) ) 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 Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Securities will not use up any of the Company's 15% annual placement capacity.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Securities and the Company will not raise up to \$50,000 via the Director Participation.

Resolution 6 seeks approval for an individual issue and is not dependent on any other Resolution.

#### **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 Resolution 6 :

- (a) the Securities will be issued to Mr Jubber (or his nominee(s)), who fall within the category set out in Listing Rule 10.11.1 as he is a related party of the Company by virtue of being a director of the Company;
- (b) 5,000,000 fully paid ordinary shares will be issued to Mr Jubber (or his nominee(s));
- (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 Securities will be issued to Mr Jubber (or his nominee(s)) 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);
- (e) the issue price will be \$0.01 per Share. The Company will not receive any other consideration for the issue of the Securities;

- (f) the purpose of the issue of Shares under the Participation is to raise capital, which the Company intends to apply towards the technical and business running costs including Ohmgebirge project internal value engineering and evaluation of strategic alternatives towards definitive feasibility study;
- (g) the Securities to be issued under the Director Participation are not intended to remunerate or incentivise Mr Jubber;
- (h) the Shares are being issued pursuant to customary placement offer letters between the Company and Len Jubber ; and
- (i) voting exclusion statements are included in Resolution 6 of the Notice.

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## 7. RESOLUTION 7 – DIRECTOR PARTICIPATION IN PLACEMENT – LISTING RULE 10.11

### 7.1 General

As set out in the Company announcement on 1 August 2024, the August Placement included subscriptions by Company Directors on the same terms as offered under the Placement as follows:

- (a) Len Jubber - 14,367,718 Shares, being the Director Subscription Shares the subject of Resolution 7(a);
- (b) Rory Luff – 17,666,763 Shares, being the Director Subscription Shares the subject of Resolution 7(b); and
- (c) Reinout Koopmans – 8,082,209 Shares, being the Director Subscription Shares the subject of Resolution 7(c),

together, the **Related Parties**), totalling 40,116,690 Shares under the August Placement (**Director Subscription Shares**). Resolution 7 is made up of 3 separate, ordinary resolutions, seeking approval for the issue of the Director Subscription Shares to the Related Parties as detailed above.

A total of \$193,807 worth of August Placement Shares will be offset against creditor balances owing to the Directors as follows:

- (a) Mr Len Jubber - \$36,318 is owing in non-executive director fees and \$50,000 is owing under an unsecured loan agreement with the Company. The total amount owing to Mr Jubber of \$86,318 will be applied towards Mr Jubber’s subscription under the August Placement of 14,367,718 Shares, to the value of \$143,677;
- (b) Mr Rory Luff - \$26,667 is owing in non-executive director fees and \$50,000 is owing under an unsecured loan agreement with the Company. The total amount owing to Mr Luff of \$76,667 will be applied towards Mr Luff’s subscription under the August Placement of 17,666,763 Shares, to the value of \$176,667; and
- (c) Dr Reinout Koopmans - \$30,822 in outstanding non-executive director fees. The total amount owing will be applied towards Mr Koopman’s subscription under the August Placement of 8,082,209 Shares, to the value of \$80,822.

Further details in relation to the unsecured loan agreements are provided in section 6.2 below.

## 7.2 Loan Facility

The Company entered into unsecured loan agreements with two related parties:

- (a) Mr Jubber and Mrs Jubber as Trustee for the Jubber Super Fund. Mr Jubber is a trustee and beneficiary of the Jubber Super Fund and therefore a related party. The Company has since drawn down a total of \$50,000 from the loan facility provided by the Lender; and
- (b) RL Holdings Pty Ltd, an entity controlled by Mr Rory Luff and therefore a related party. The Company has since drawn down a total of \$50,000 from the loan facility provided by RL Holdings

together the “**Lenders**”.

The terms of the unsecured loan agreements are summarised as follows:

- (a) The Company entered into Loan Agreements in April 2024 with each of the Lenders;
- (b) The Lenders and the Company agreed to enter into the each loan agreement on the basis that the loan facilities provided by the Lenders were provided on an arms’ length basis and on commercial terms;
- (c) The Lenders each agreed to make a loan facility of \$100,000 available to the Company (together facilities totalling \$200,000) until the repayment date (being 30 November 2024) (**Repayment Date**);
- (d) The Company has since drawn down a total of \$50,000 from each loan facility provided by the Lenders (together totalling \$100,000 drawn down);
- (e) Interest accruing on the drawdown amounts is 10% per annum and compounding daily;
- (f) Where any sum payable by the Company to the Lenders is not paid within 2 business days of the repayment date, default interest will accrue at 10% per annum and compounding daily;
- (g) The loan amounts (being the funds drawn down by the Company under the loan facilities plus interest accruing) must be repaid within 2 business days of:
  - (i) a change of control event of the Company, or the Company entering into an agreement which involves a change of control;
  - (ii) the Repayment Date;
  - (iii) an event of default under the agreement, including if an application for winding up of the Company is presented and the Company cannot within 20 business days satisfy the Lenders that the application is frivolous or vexatious, if a receiver or manager is appointed, the Company becomes unable to pay its debts or, without the consent of the Lender, the Company enters into any arrangement or reconstruction with its creditors; or

the Company undertakes a capital or debt raising, unless each Lender agrees otherwise. The Lenders have agreed for the Repayment Date to be the trigger for repayment of the outstanding amounts, rather than the August Placement and August Rights Issue.

### **7.3 Director recommendation**

Each Director has a material personal interest in the outcome of Resolutions 7(a), 7(b) and 7(c) on the basis that all of the Directors (or his nominee(s)) are to be issued Director Subscription Shares under the August Placement should Resolutions 7(a), 7(b) and 7(c) be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 7(a), 7(b), or 7(c) of this Notice.

### **7.4 Chapter 2E of the Corporations Act**

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

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

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

The issue of the Director Subscription Shares will result in the issue of Shares which constitutes giving a financial benefit. Each of the Directors are related parties of the Company by virtue of being a Director.

As the Shares 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 Director Subscription Shares. Accordingly, Shareholder approval for the issue of Director Subscription Shares in respect of the Related Party Participation is sought in accordance with Chapter 2E of the Corporations Act.

### **7.5 Listing Rule 10.11**

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

The issue of the Director Subscription Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 7(a), 7(b) and 7(c) seek the required Shareholder approval for the issue of the Director Subscription Shares under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

### **7.6 Technical information required by Listing Rule 14.1A**

If Resolutions 7(a), 7(b) and 7(c) are passed, the Company will be able to proceed with the issue of the Shares under the Director Subscription Shares 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). and will raise additional funds which will be used in the manner set out in Section 5.3 (being, \$207,359). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Subscription Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Director Subscription Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 7(a), 7(b) or 7(c) are not passed, the Company will not be able to proceed with the issue of the Director Subscription Shares. As a result, no further funds will be raised in respect of the Placement (being, \$207,359) and the amount of \$193,807 in creditor balances

owing to the Directors as set out in Section 6.1 and 6.1 above will not be offset through the issue of the Director Subscription Shares and will remain payable by the Company.

## **7.7 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 7(a), 7(b) and 7(c):

- (a) the following maximum number of Director Subscription Shares will be issued to the Directors, all of which are related parties of the Company:
  - (i) Len Jubber (or his nominee) - 14,367,718 Shares, being the Director Subscription Shares the subject of Resolution 7(a);
  - (ii) Rory Luff (or his nominee) – 17,666,763 Shares, being the Director Subscription Shares the subject of Resolution 7(b); and
  - (iii) Reinout Koopmans (or his nominee) – 8,082,209 Shares, being the Director Subscription Shares the subject of Resolution 7(c),each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the Director Subscription Shares to be 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;
- (c) the Director Subscription 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 Director Subscription Shares will occur on the same date;
- (d) the issue price will be \$0.01 per Share, being the same amount per Share under the August Placement;
- (e) the Shares will be fully paid ordinary shares in the capital of the Company and be issued on the same terms and conditions of the existing Shares;
- (f) the purpose of the issue of the Director Subscription Shares to the Directors is:
  - i. to allow the Directors to participate in the August Placement on the same terms as offered to subscribers under the placement and raise \$57,359 from Len Jubber, \$100,000 from Rory Luff and \$50,000 from Reinout Koopmans which will be applied towards the activities set out in Section 5; and
  - ii. offset \$193,807 of creditor balances from the amount owing to the Directors in Directors' fees and unsecured loans as detailed in Section 6.1 and 6.2 above;
- (g) the unsecured loans as detailed in Section 6.1 and 6.2 were entered into by the Company and Directors on commercial, arms' length terms;
- (h) If Resolutions 7(a), 7(b) or 7(c) are not passed, the Company will not be able to proceed with the issue of the Director Subscription Shares. This will mean the creditor balances owing to the Directors in Directors' fees and unsecured loans will remain payable by the Company by the Repayment Date and the Company will not

receive the \$207,359.90 in subscription funds from the Director Subscription Shares;

- (i) the Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the Director Subscription Shares to the Directors upon the terms proposed;
- (j) the Director Subscription Shares are not intended to incentivise the Directors;
- (k) the total remuneration package for each of the Directors for the current and the previous financial years are set out below:

Related Party	Current Financial Year Ended 30 June 2025	Previous Financial Year Ended 30 June 2024
Len Jubber	369,763 <sup>1</sup>	113,971 <sup>4</sup>
Rory Luff	59,763 <sup>2</sup>	66,860 <sup>5</sup>
Reinout Koopmans	59,763 <sup>3</sup>	66,860 <sup>6</sup>

**Notes:**

1. Comprising Executive Chairman base salary of \$350,000 (including superannuation) and estimated share based payment expense of \$19,763 in relation to existing options held (does not include any incentive securities proposed for approval at this AGM).
2. Comprising Directors' fees of \$40,000 and estimated share based payment expense of \$19,763 in relation to existing options held (does not include any incentive securities proposed for approval at this AGM). Directors' fees includes:
  - unpaid Non-Executive Director fees of \$3,333 which will be offset against Mr Luff's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
3. Comprising Directors' fees of \$40,000 and estimated share based payment expense of \$19,763 in relation to existing options held (does not include any incentive securities proposed for approval at this AGM). Directors' fees includes:
  - unpaid Non-Executive Director fees of \$3,333 which will be offset against Dr Koopman's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
4. Len Jubber was appointed Non-Executive Chairman on 1 February 2024, and then appointed Executive Chairman on 22 May 2024. His remuneration comprises Directors' fees of \$84,892 (being \$46,317 Non-Executive Director fees for the period from 1 July 2023 to 21 May 2024 and Executive Chairman base salary of \$38,575 from 22 May 2024 until 30 June 2024) and \$29,079 in options. Non-Executive Directors' fees of \$46,317 includes :
  - Non-Executive Director fees payable of \$9,999 which were offset against the subscription price for 303,318 fully paid ordinary shares in the Company approved by shareholders at the 2023 AGM, and
  - unpaid Non-Executive Director fees of \$36,318 which will be offset against Mr Jubber's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
5. Comprising Directors' fees of \$40,000 and \$26,820 in options. Directors' fees includes:

- Non-Executive Director fees payable of \$9,999 which were offset against the subscription price for 303,318 fully paid ordinary shares in the Company approved by shareholders at the 2023 AGM; and
  - unpaid Non-Executive Director fees of \$23,334 which will be offset against Mr Luff's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
6. Comprising Directors' fees of \$40,000 and \$26,820 in options. Directors' fees includes:
- Non-Executive Director fees payable of \$8,743 which were offset against the subscription price for 265,212 fully paid ordinary shares in the Company approved by shareholders at the 2023 AGM, and
  - unpaid Non-Executive Director fees of \$27,489 which will be offset against Dr Koopman's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.

(l) the Director Subscription Shares are being issued pursuant to customary placement offer letters between MPS and the Directors;

(m) the relevant interests of the Directors in securities of the Company are set out below:

**As at the date of this Notice:**

Related Party	Shares	Options	Undiluted	Fully Diluted
Len Jubber <sup>1</sup>	5,539,432	4,638,000	0.6%	0.9%
Rory Luff <sup>2</sup>	42,784,418	3,388,000	4.3%	4.2%
Reinout Koopmans <sup>3</sup>	6,969,937	3,721,333	0.7%	1.0%

**Post Issue of Shares to Related Parties**

Related Party	Shares	Options	Undiluted	Fully Diluted
Len Jubber	19,907,150	4,638,000	1.9%	2.2%
Rory Luff	60,451,181	3,388,000	5.9%	5.6%
Reinout Koopmans	15,052,146	3,721,333	1.5%	1.7%

**Notes**

1. Fully paid ordinary shares in the capital of the Company (ASX: SHP).  
1,000,000 Unquoted Options @ \$0.203 expiring 27 May 2025  
750,000 Unquoted Options @ \$0.203 expiring 27 May 2026  
311,000 Unquoted Options @ \$0.1606 expiring 30 March 2027  
736,000 Unquoted Options @ \$0.15 expiring 10 November 2027  
1,591,000 Unquoted Options @ \$0.056 exp 31 October 2028  
250,000 Unquoted Options @ \$0.08 exp 24/11/26
2. Fully paid ordinary shares in the capital of the Company (ASX: SHP).  
750,000 Unquoted Options @ \$0.203 expiring 27 May 2026  
311,000 Unquoted Options @ \$0.1606 expiring 30 March 2027  
736,000 Unquoted Options @ \$0.15 expiring 10 November 2027  
1,591,000 Unquoted Options @ \$0.056 exp 31 October 2028
3. Fully paid ordinary shares in the capital of the Company (ASX: SHP).  
750,000 Unquoted Options @ \$0.203 expiring 27 May 2026  
311,000 Unquoted Options @ \$0.1606 expiring 30 March 2027  
736,000 Unquoted Options @ \$0.15 expiring 10 November 2027  
1,591,000 Unquoted Options @ \$0.056 exp 31 October 2028



- (n) if the 40,116,690 Director Subscription Shares are issued this will increase the number of Shares on issue from 984,177,918 (being the total number of Shares on issue as at 8 October 2024 plus binding commitments for 40,000,000 shares received from new investors – refer ASX announcement *New Equity Commitments of A\$450,000 Received* dated 8 October 2024) to 1,024,294,608 (assuming that no further Shares are issued and Options are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.9% comprising 1.4% by Len Jubber, 1.7% by Rory Luff and 0.8% by Reinout Koopmans;
- (o) 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	\$0.035	11 September 2023
Lowest	\$0.008	12 June 2024
Last	\$0.009	7 October 2024

- (p) the Board is not aware of any other further information that is reasonably required by Shareholders to allow them to decide whether it is in the best interest of the Company to pass Resolutions 7(a), 7(b) and 7(c); and
- (q) a voting exclusion statement and voting prohibition statement is included in Resolutions 7(a), 7(b), 7(c) of the Notice.

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## 8. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS – LISTING RULE 10.11

### 8.1 General

As announced on 29 August 2024, the Company finalised the terms of Executive Chairman Mr Len Jubber's remuneration package.

Mr Jubber's remuneration package is made up of:

- (a) A base salary of \$350,000 per annum, inclusive of statutory superannuation (**Base Salary**);
- (b) 31,500,000 Performance Rights comprising of:
- (i) 19,250,000 Project Performance Rights (**PRP**); and
  - (ii) 12,250 Long Term Incentive Performance Rights.

Resolution 8 seeks Shareholder approval for the issue of 31,500,000 Performance Rights to Len Jubber (or his nominee) on the terms and conditions set out below.

### 8.2 Chapter 2 E of the Corporations Act

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

The issue of Performance Rights to Mr Jubber (or his nominee(s) ) constitutes giving a financial benefit and Mr Jubber is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Jubber 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 grant of Performance Rights because the agreement to issue the Performance Rights, reached as part of the remuneration package for Mr Jubber, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **8.3 ASX Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 6.5 above.

The issue of Performance Rights to Mr Jubber (or his nominee(s)) falls within ASX Listing Rule 10.11.1, as he is a related party to the Company by virtue of being a Director. The Company therefore requires Shareholder approval under ASX Listing Rule 10.11.

Resolution 8 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

### **8.4 Technical Information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Jubber (or his nominee(s)) within one month after the date of the Meeting. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and may need to seek to remunerate Mr Jubber by another means.

### **8.5 ASX Listing Rule 10.13**

ASX Listing Rule 10.13 contains certain requirements as to the contents of a Notice sent to Shareholders for the purposes of ASX Listing Rule 10.11 and the following information is included in this Explanatory Memorandum for that purpose:

- (a) the Performance Rights will be issued to Mr Len Jubber, Executive Chairman of the Company (or his nominee(s));
- (b) Mr Jubber falls within the category set out in ASX Listing Rule 10.11.1, by virtue of being a Director;
- (c) the issue price of the Performance Rights will be nil;
- (d) the maximum number of Performance Rights to be granted pursuant to Resolution 8 is 31,500,000 Performance Rights comprising of:
  - (i) 19,250,000 Project Performance Rights; and
  - (ii) 12,250,000 Long Term Incentive Performance Rights,
- (e) the Performance Rights will be issued on a date which will be no later than 1 month after the date of the Meeting. The Performance Rights are subject to vesting conditions which are detailed in section 7.1 above;
- (f) the terms and conditions of the Performance Rights are set out in Annexure B to this Explanatory Memorandum;
- (g) the Performance Rights will be granted for no monetary consideration as part of the remuneration of Mr Jubber, Executive Chairman of the Company;

- (h) the purpose of the issue of the Performance Rights to Mr Lubber is to motivate, incentivise and reward his performance as a Director of the Company. Having considered the alternatives to an issue of Performance Rights (such as a higher cash-based component of remuneration), the Board considers that the grant of the Performance Rights is an effective way to remunerate Mr Jubber for his services, as the Performance Rights issued to Mr Jubber preserves the Company's cash resources;
- (i) details of Mr Jubber's current total remuneration package (not including the Performance Rights) is set out in the table below. If the Performance Rights are issued the remuneration of Mr Jubber will increase by \$280,433, which will be expensed over the life of the respective performance rights in accordance with Australian accounting standards, being the value of the Performance Rights (based on the Black Scholes methodology).

Director Name	Current Remuneration
Len Jubber	\$369,763 <sup>1</sup>

**Notes:**

1. Comprising base cash salary of \$320,000 per annum excluding superannuation and \$30,000 of superannuation, and estimated share based payment expense of \$19,763 in relation to existing options held (does not include the value of Performance Rights proposed for approval at this AGM).
- (j) the value of the Performance Rights and the pricing methodology is set out in Annexure E;
- (k) the Performance Rights are being issued pursuant to an employment contract which contains terms and conditions that are standard in nature. The employment contract allows either party to terminate the contract with 3 months' prior notice; and
- (l) a voting exclusion statement is included in this Notice.

## 8.6 Directors' Recommendation

The Directors do not make any recommendation with respect to the issue of the Performance Rights the subject of Resolution 8, as such recommendation regarding the remuneration of the Directors of the Company may be a conflict of interest.

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## 9. RESOLUTION 9 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO DIRECTORS – LISTING RULE 10.11

### 9.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 8 million Performance Rights (**Performance Rights**) to Rory Luff and Reinout Koopmans (or his nominee(s)) (**Related Parties**) on the terms and conditions set out below.

Resolutions 9(a) to 9(b) seek Shareholder approval for the issue of the Performance Rights to the Related Parties.

## **9.2 Director recommendation**

Messrs Luff and Koopmans each has a material personal interest in the outcome of Resolutions 9(a) to 9(b) on the basis that all of the Directors (or his nominee(s)) are to be issued Performance Rights should Resolutions 9(a) to 9(b) be passed. For this reason, neither Mr Luff nor Dr Koopmans believe that it is appropriate to make a recommendation on Resolutions 9(a) to 9(b) of this Notice. Chairman Len Jubber is seeking approval to receiving Performance Rights under Resolution 8 and also does not believe that it is appropriate to make a recommendation on Resolutions 9(a) to 9(b) 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 above.

The issue of Performance Rights to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Performance Rights are proposed to be issued to the majority 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 Options. Accordingly, Shareholder approval for the issue of Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

## **9.4 Listing Rule 10.11**

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

The issue of Performance Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 9(a) to 9(b) seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

## **9.5 Technical information required by Listing Rule 14.1A**

If Resolutions 9(a) to 9(b) are passed, the Company will be able to proceed with the issue of the Performance Rights to the Related Parties 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 Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 9(a) to 9(c) are not passed, the Company will not be able to proceed with the issue of the Options and will need to consider alternative methods to retain and incentivise the Directors.

## **9.6 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 9(a) to 9(b):

- (a) the Performance Rights will be issued to the following persons:
  - (i) Rory Luff (or his nominee(s)) pursuant to Resolution 9(a); and

- (ii) Reinout Koopmans (or his nominee(s)) pursuant to Resolution 9(b),

each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 8 million comprising:
  - (i) 4 million Performance Rights to Rory Luff (or his nominee(s)) pursuant to Resolution 9(a); and
  - (ii) 4 million Performance Rights to Reinout Koopmans (or his nominee(s)) pursuant to Resolution 9(b),
- (c) the terms and conditions of the Performance Rights are set out in Annexure D;
- (d) the Performance Rights 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 Performance Rights will occur on the same date;
- (e) the issue price of the Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Performance Rights ;
- (f) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, 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 Related Parties;
- (g) the Performance Rights are unquoted Performance Rights . The Company has agreed to issue the Performance Rights to the Related Parties subject to Shareholder approval for the following reasons:
  - (i) the Performance Rights are unquoted; therefore, the issue of the Performance Rights has no immediate dilutionary impact on Shareholders;
  - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Performance Rights is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Performance Rights 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 Performance Rights on the terms proposed;
- (h) the number of Performance Rights to be issued to each of the Related Parties has been determined based upon a consideration of:
  - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;

- (ii) the remuneration of the Related Parties; and
- (iii) incentives to attract and retain the services of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed;

- (i) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year Ended 30 June 2025	Previous Financial Year Ended 30 June 2024
Rory Luff	95,484 <sup>1</sup>	66,860 <sup>3</sup>
Reinout Koopmans	95,484 <sup>2</sup>	66,860 <sup>4</sup>

**Notes:**

1. Comprising Directors' fees of \$40,000 and estimated share based payment value of \$19,763 in relation to existing options held and \$35,721 value for these Performance Rights. Directors' fees includes:
  - unpaid Non-Executive Director fees of \$3,333 which will be offset against Mr Luff's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
2. Comprising Directors' fees of \$40,000 and estimated share based payment value of \$19,763 in relation to existing options held and \$35,721 value for these Performance Rights . Directors' fees includes:
  - unpaid Non-Executive Director fees of \$3,333 which will be offset against Dr Koopman's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
3. Comprising Directors' fees of \$40,000 and \$26,820 in options. Directors' fees includes:
  - Non-Executive Director fees payable of \$9,999 which were offset against the subscription price for 303,318 fully paid ordinary shares in the Company approved by shareholders at the 2023 AGM; and
  - unpaid Non-Executive Director fees of \$23,334 which will be offset against Mr Luff's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.
4. Comprising Directors' fees of \$40,000 and \$26,820 in options. Directors' fees includes:
  - Non-Executive Director fees payable of \$8,743 which were offset against the subscription price for 265,212 fully paid ordinary shares in the Company approved by shareholders at the 2023 AGM, and
  - unpaid Non-Executive Director fees of \$27,489 which will be offset against Dr Koopman's subscription monies owing for the issue of his (or his nominees(s) ) Director Subscription Shares.

- (j) the value of the Performance Rights and the pricing methodology is set out in Annexure F;
- (k) the Performance Rights are not being issued under an agreement;
- (l) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

**As at the date of this Notice**

Related Party	Shares	Options	Undiluted	Fully Diluted
Rory Luff <sup>2</sup>	42,784,418	3,388,000	4.35%	4.2%
Reinout Koopmans <sup>3</sup>	6,969,937	3,721,333	0.71%	1.0%

**Post issue of the Performance Rights to Related Parties**

Related Party	Shares <sup>1</sup>	Options	Performance Rights	Undiluted	Fully Diluted
Rory Luff	42,784,418	3,388,000	4,000,000	4.35%	4.5%
Reinout Koopmans	6,969,937	3,721,333	4,000,000	0.71%	1.3%

**Notes:**

1. Fully paid ordinary shares in the capital of the Company (ASX: SHP).  
750,000 Unquoted Options @ \$0.203 expiring 27 May 2026  
311,000 Unquoted Options @ \$0.1606 expiring 30 March 2027  
736,000 Unquoted Options @ \$0.15 expiring 10 November 2027  
1,591,000 Unquoted Options @ \$0.056 exp 31 October 2028
2. Fully paid ordinary shares in the capital of the Company (ASX: SHP).  
750,000 Unquoted Options @ \$0.203 expiring 27 May 2026  
311,000 Unquoted Options @ \$0.1606 expiring 30 March 2027  
736,000 Unquoted Options @ \$0.15 expiring 10 November 2027  
1,591,000 Unquoted Options @ \$0.056 exp 31 October 2028  
333,333 Unquoted Options @ \$0.08 expiring 24 November 2026

- (m) if the Performance Rights issued to the Related Parties are exercised, a total of 8,000,000 Shares would be issued. This will increase the number of Shares on issue from 984,177,918 (being the total number of Shares on issue as at 8 October 2024 plus binding commitments for 40,000,000 shares received from new investors – refer ASX announcement *New Equity Commitments of A\$450,000 Received* dated 8 October 2024) to 992,177,918 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.81%, comprising 0.40% by Rory Luff and 0.40% by Reinout Koopmans;

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

- (n) 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	\$0.035	11 September 2023
Lowest	\$0.008	12 June 2024
Last	\$0.009	7 October 2024

- (o) 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 9(a) to 9(c); and
- (p) a voting exclusion statement is included in Resolutions 9(a) to 9(b) of the Notice.

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## 10. RESOLUTION 10 – ADOPTION OF EMPLOYEE INCENTIVE SECURITIES PLAN

### 10.1 General

Resolution 10 seeks Shareholder approval for the adoption of the employee incentive scheme titled “*South Harz Potash Limited Employee Incentive Securities Plan*” (**Securities Incentive Plan**) and for the issue of Securities under the Securities Incentive Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Securities Incentive Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Securities Incentive Plan and the future issue of securities under the Securities Incentive Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

As summarised in Section 4.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity’s ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity’s notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2. Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 10 is passed, the Company will be able to issue securities under the Securities Incentive Plan to eligible participants over a period of 3 years. The issue of any securities to eligible participants under the Securities Incentive Plan (up to the maximum number of securities stated in Section 8.2 below) 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.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Securities Incentive Plan to a related party or a person whose relationship with the Company or the related party is, in ASX’s opinion, such that approval should be obtained.

If this Resolution 10 is not passed, the Company will be able to proceed with the issue of securities under the Securities Incentive Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company’s capacity to issue equity securities



without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the securities.

## **10.2 Technical information required by Listing Rule 7.2 (Exception 13)**

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to this Resolution:

- (a) a summary of the key terms and conditions of the Securities Incentive Plan is set out in Annexure C;
- (b) the Company adopted an Incentive Option Plan on 31 March 2021, since being approved by Shareholders on 4 May 2021. The Company has issued a total of 13,224,000 Options under the Incentive Option Plan;
- (c) the Company is seeking Shareholder approval to adopt the Securities Incentive Plan to include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme);
- (d) the maximum number of Securities proposed to be issued under the Securities Incentive Plan, following Shareholder approval, is 100,000,000 Securities. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately; and
- (e) a voting exclusion statement is included with this Notice.

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## **11. RESOLUTION 11 – APPROVAL OF 7.1A MANDATE**

### **11.1 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.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$8,497,601 (based on the number of Shares on issue and the closing price of Shares on the ASX on 7 October 2024).

Resolution 11 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 11 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 11 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

## **11.2 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution :

### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### **(b) Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 9.2(b)(i), the date on which the Equity Securities are issued.

### **(c) Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the development of the Company's business, the acquisition of new assets or investments and for general working capital.

### **(d) Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 11 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 8 October 2024.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.005	\$0.009	\$0.014
			50% decrease	Issue Price	50% increase
			Funds Raised		
<b>Current</b>	1,029,294,608	102,929,461	\$463,183	\$926,365	\$1,389,548
<b>50% increase</b>	1,543,941,912	154,394,191	\$694,774	\$1,389,548	\$2,084,322
<b>100% increase</b>	2,058,589,216	205,858,922	\$926,365	\$1,852,730	\$2,779,095

\*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:**

- There are currently Shares on issue comprising:
  - 944,177,918 existing Shares as at 8 October 2024;
  - 40,000,000 shares are expected to be issued under the entitlement issue shortfall placement (refer ASX announcement *New Equity Commitments ff A\$450,000 Received* dated 8 October 2024)
  - 5,000,000 Director Placement Shares which will be issued if Resolution 6 is passed at this Meeting; and
  - 40,116,690 Director Subscription Shares which will be issued if Resolution 7(a), (b) and (c) are passed at this Meeting; and
- The issue price set out above is the closing market price of the Shares on the ASX on 7 October 2024 (being \$0.009).
- The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options or Performance Rights are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options or Performance Rights, it is assumed that those quoted Options or Performance Rights are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- 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 Listing Rule 7.1 unless otherwise disclosed.
- 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%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

During the 12-month period preceding the date of the Meeting, being on and from 26 October 2023, the Company issued 58,733,300 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 8% of the total diluted number of Equity Securities on issue in the Company on 26 October 2023, which was 713,506,362. It is noted ratification of the issue of the Previous Issue is being sought pursuant to Resolution 5(a) and (b).

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

<b>Date of Issue and Appendix 2A</b>	<b>Date of Issue:</b> 9 August 2024 <b>Date of Appendix 2A:</b> 9 August 2024
<b>Recipients</b>	<p>Both new and existing professional and sophisticated investors as part of a placement announced on 1 August 2024. The placement participants were identified through a bookbuild process, which involved MPS seeking expressions of interest to participate in the placement from non-related parties of the Company.</p> <p>None of the participants in the placement were material investors that are required to be disclosed under Guidance Note 21.</p>

<b>Number and Class of Equity Securities Issued</b>	58,733,300 Shares. <sup>2</sup>
<b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b>	The issue price of \$0.01 per Share is equal to the Market Price. <sup>1</sup>
<b>Total Cash Consideration and Use of Funds</b>	<p><b>Amount raised:</b> \$587,333 (for further details on the Placement, see section 5).</p> <p><b>Amount spent:</b> \$560,000</p> <p><b>Use of funds:</b> detailed due diligence activities ahead of the Sollstedt Mine acquisition, internal value engineering and optimization studies for the brownfield Ohmgebirge Potash Development, evaluation of strategic alternatives towards a DFS for the Ohmgebirge Potash Development, general working capital and costs associated with the capital raise.</p> <p><b>Amount remaining:</b> \$27,333</p> <p><b>Proposed use of remaining funds<sup>3</sup>:</b> as above</p>

**Notes:**

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: SHP (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

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## 12. RESOLUTION 12 – REPLACEMENT OF CONSTITUTION

### 12.1 General

Section 136 of the Corporations Act provides that a company may adopt a constitution as well as modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 12 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution which ensures it reflects the current provisions of the Corporations Act and ASX Listing Rules (**Proposed Constitution**).

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted on 29 November 2019.

The Directors are of the view 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. Many of the proposed changes are administrative or minor in nature.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. 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 for review by Shareholders at <https://southharzpotash.com/about/corporate-governance/> and upon request to the Company Secretary. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 408 447 493). Shareholders are invited to contact the Company if they have any queries or concerns.

## **12.2 Summary of material proposed changes**

### **Employee Incentive Securities Plan (clause 2.4)**

Under the new Division 1A of Part 7.12 of the Corporations Act, which came into effect on 1 October 2022, offers under an employee incentive plan that do not require a monetary payment (e.g., zero exercise price options or performance rights) can be issued without an issue cap. However, offers requiring a monetary payment (whether upon grant or upon exercise/vesting of the awards and issue of the underlying shares) must be accompanied by an 'ESS offer document' and must comply with an issue cap. The cap is set at 5% under the Corporations Act unless raised by a company's constitution. A company may include a higher issue cap in its constitution to allow for more than 5% of securities to be issued under the plan.

The Proposed Constitution has set the issue cap at 10%.

### **Restricted Securities (clause 2.12)**

The Proposed Constitution complies with the changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

### **Minimum Security holding (clause 3)**

This Proposed Constitution now extends the minimum holding provisions to all securities as provided for under the Listing Rules. The clause previously only referred to shares.

### **Joint Holders (clause 9.8)**

The ASX is considering replacement options for its Clearing House Electronic Subregister System (**CHES**). Due to complexities with the solution design, there is no current go-live date. To ensure compliance with any replacement CHES system, clause 9.8 of the Proposed Constitution provides that the number of registered joint holders of securities shall be as permitted under the Listing Rules and the ASX Settlement Operating Rules.

### **Capital Reductions (clause 10.2)**

The Proposed Constitution now permits sales of unmarketable parcels to a sale nominee as part of a capital reduction.

### **Use of technology (clause 14)**

The Proposed Constitution includes a new provision to permit the use of technology at general meetings (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

### **Partial (proportional) takeover provisions (new 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 of 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 amended 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, other than a firm commitment from RAB Capital (for whom a "Notice of initial substantial holder" was recently lodged on the ASX on 27 September 2024) to subscribe for \$150,000 in shortfall shares as part of the new equity commitments of \$450,000 announced to the ASX on 8 October 2024, 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;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) 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 proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 12.

### **12.3 Directors' Recommendation**

The Directors of the Company believe that Resolution 12 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 12.



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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities & Investments Commission.

**7.1A Mandate** has the meaning given in Section 9.1.

**ASIC** means Australian Securities and 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** or **Listing Rules** means the official Listing Rules of ASX.

**Board** means the current board of directors of the Company.

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

**Chair** means the chair of the Meeting.

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

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

**Company** means South Harz Potash Ltd (ACN 153 414 852).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Equity Securities** includes 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.

**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.

**Listing Rules** means the Listing Rules of ASX.

**Managing Director** means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

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

**Morgans** means Morgans Corporate Limited.

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

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party** or **Related Parties** means Messrs Koopmans, Luff, Jubber and former Managing Director Luis da Silva.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the financial year ended 30 June 2024.

**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.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

**VWAP** means volume weighted average price.

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

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**ANNEXURE A – TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS (RESOLUTION 4)**

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A summary of the terms and conditions of the Lead Manager Options is set out below:

**1. Entitlement**

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

**2. Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

**3. Expiry Date**

Each Option will expire at 5:00 pm (WST) on 21 December 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**4. Exercise Period**

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

**5. Notice of Exercise**

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

**6. Exercise Date**

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

**7. Timing of issue of Shares on exercise**

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

- 7.1 issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- 7.2 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
- 7.3 if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

**8. Shares issued on exercise**

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

**9. Quotation of Shares issued on exercise**

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

**10. Reconstruction of capital**

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.

**11. Participation in new issues**

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

**12. Change in exercise price**

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

**13. Transferability**

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

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## ANNEXURE B – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS (RESOLUTION 8 )

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### TERMS AND CONDITIONS OF THE LONG TERM INCENTIVE PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the long-term incentive performance rights (**LTIPR**):

**a) Vesting Conditions**

The LTIPRs shall vest in accordance with the table below:

LTIPR Grant Date	Vesting Date	Vesting Condition
1 July 2024	1 July 2027	If Total Shareholder Revenue is: equal to or greater than 150%, all of the LTIPs will vest; (a) between 110% and 150%, the LTIPs will vest in a straight-line scale pro-rata; or (b) less than 110%, then none of the LTIPs will vest.

The terms in the table above have the following meanings:

1. **Total Shareholder Revenue** means the positive percentage change in the volume weighted average price of the Company's Shares on the ASX for twenty consecutive trading days (**VWAP**) over the three-year period commencing on the LTIP Grant Date and ending on the Vesting Date divided by the percentage change in the S&P/ASX 300 Metal and Mining Index over the same period. For the avoidance of doubt, where the percentage change in the VWAP is negative, none of the LTIPs will vest.

The number of LTIPRs to be issued is 12,250,000. The 12,250,000 LTIPRs is equal to 35% of Len Jubber's base salary plus superannuation as specified in the Executive Services Agreement dated 28 August 2024 (**ESA**) divided by \$0.01.

**b) Notification to holder**

The Company shall notify the holder in writing when the relevant Vesting Condition has been satisfied.

**c) Conversion**

Subject to paragraph (o), upon vesting, each LTIPR will, at the election of the holder, convert into one Share.

**d) Expiry Date**

The LTIPRs will automatically lapse upon the earlier to occur of:

- (i) the date that is two (2) years after the Vesting Date; or
- (ii) the holder ceasing to be Executive Chair of the Company, unless otherwise determined by the Board at its absolute discretion.

**e) Consideration**

The LTIPRs will be issued for nil consideration and no consideration will be payable upon the conversion of the LTIPRs into Shares.

**f) Share ranking**

All Shares issued upon the vesting of LTIPRs will upon issue rank pari passu in all respects with other existing Shares.

**g) Application to ASX**

The LTIPRs will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a LTIP on ASX within the time period required by the ASX Listing Rules.

**h) Timing of issue of Shares on conversion**

Within 5 business days after the date that the LTIPRs are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of LTIPRs converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the LTIPs.

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

**i) Transfer of LTIPRs**

The LTIPRs are not transferable.

**j) Participation in new issues**

A LTIPR does not entitle a holder (in their capacity as a holder of a LTIPR) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the LTIPR.

**k) Reorganisation of capital**

If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

**l) Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a LTIPR will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the LTIPR before the record date for the bonus issue.

**m) Dividend and voting rights**

The LTIPRs do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

**n)** Change in control

Subject to paragraph (o), upon:

- (i) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent LTIPRs have not converted into Shares due to satisfaction of the relevant Vesting Conditions, LTIPRs will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

**o)** Deferral of conversion if resulting in a prohibited acquisition of Shares

If the conversion of a LTIPR under paragraphs (c) or (n) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001 (Cth)* (**General Prohibition**) then the conversion of that LTIPR shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a LTIPR would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a LTIPR may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a LTIPR will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within 7 days if the Company considers that the conversion of a LTIPR may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a LTIPR will not result in any person being in contravention of the General Prohibition.

**p)** No rights to return of capital

A LTIPR does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

**q)** Rights on winding up

A LTIPR does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

**r)** ASX Listing Rule compliance

The Board reserves the right to amend any term of the LTIPRs to ensure compliance with the ASX Listing Rules.

**s)** No other rights

A LTIPR gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.



## TERMS AND CONDITIONS OF PROJECT PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Project Performance Rights:

### a) Vesting Conditions

The Project Performance Rights shall vest as follows:

- (i) **Tranche 1:** On or before 1 July 2025, the Company must have decided to proceed with and have secured committed funding for a Definitive Feasibility Study for the Ohmgebirge Project;
- (ii) **Tranche 2:** On or before 1 January 2027, the Company must have:
  - (A) completed and released a Definitive Feasibility Study for the Ohmgebirge Project on the ASX; and
  - (B) released a commitment on the ASX to pursue the financing and development of the Ohmgebirge Project; and
- (iii) **Tranche 3:** On or before 1 January 2028, the Company must have:
  - (A) made a final investment decision to develop the Ohmgebirge Project; and
  - (B) secured committed funding to proceed with the development of the Ohmgebirge Project,

(each, a **Vesting Condition**).

The number of Project Performance Rights to be issued under each tranche is as follows:

- (i) **Tranche 1:** 5,250,000 Project Performance Rights, which is equal to 15% of Len Jubber's base salary as specified in the ESA divided by \$0.01;
- (ii) **Tranche 2:** 5,250,000 Project Performance Rights, which is equal to 15% of Len Jubber's base salary as specified in the ESA divided by \$0.01; and
- (iii) **Tranche 3:** 8,750,000 Project Performance Rights, which is equal to 25% of Len Jubber's base salary as specified in the ESA divided by \$0.01.

### b) Notification to holder

The Company shall notify the holder in writing when the relevant Vesting Condition has been satisfied.

### c) Conversion

Subject to paragraph (o), upon vesting, each Project Performance Right will, at the election of the holder, convert into one Share.

### d) Expiry Date

A Project Performance Right will automatically lapse upon the earlier to occur of:

- (i) the date that is two (2) years from the date that the relevant Vesting Condition is required to be satisfied by; and
- (ii) the holder ceasing to be Executive Chair of the Company, unless otherwise determined by the Board at its absolute discretion.

### e) Consideration

The Project Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Project Performance Rights into Shares.

**f) Share ranking**

All Shares issued upon the vesting of Project Performance Rights will upon issue rank *pari passu* in all respects with other existing Shares.

**g) Application to ASX**

The Project Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Project Performance Right on ASX within the time period required by the ASX Listing Rules.

**h) Timing of issue of Shares on conversion**

Within 5 business days after the date that the Project Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Project Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Project Performance Rights.

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

**i) Transfer of Project Performance Rights**

The Project Performance Rights are not transferable.

**j) Participation in new issues**

A Project Performance Right does not entitle a holder (in their capacity as a holder of a Project Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Project Performance Right.

**k) Reorganisation of capital**

If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

**l) Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Project Performance Right will be increased by the number of Shares or other

securities which the holder would have received if the holder had converted the Project Performance Right before the record date for the bonus issue.

**m) Dividend and voting rights**

The Project Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

**n) Change in control**

Subject to paragraph (o), upon:

- (i) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent Project Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, Project Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

**o) Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Project Performance Right under paragraphs (c) or (n) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001 (Cth)* (**General Prohibition**) then the conversion of that Project Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Project Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Project Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Project Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within 7 days if the Company considers that the conversion of a Project Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Project Performance Right will not result in any person being in contravention of the General Prohibition.

**p) No rights to return of capital**

A Project Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

**q) Rights on winding up**

A Project Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

**r) ASX Listing Rule compliance**

The Board reserves the right to amend any term of the Project Performance Rights to ensure compliance with the ASX Listing Rules.

**s) No other rights**

A Project Performance Right gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.

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**ANNEXURE C - TERMS AND CONDITIONS OF EMPLOYEE INCENTIVE SECURITIES PLAN  
(RESOLUTION 10)**

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A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

<b>Eligible Participant</b>	<b>Eligible Participant</b> 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.
<b>Purpose</b>	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> <li>(a) assist in the reward, retention and motivation of Eligible Participants;</li> <li>(b) link the reward of Eligible Participants to Shareholder value creation; and</li> <li>(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 Shares, Options, Performance Rights or other securities convertible into Shares (<b>Convertible Securities</b>) (<b>Securities</b>).</li> </ul>
<b>Plan administration</b>	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.
<b>Eligibility, invitation and application</b>	<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>
<b>Grant of Securities</b>	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.

<b>Rights attaching to Convertible Securities</b>	<p>A <b>Convertible Security</b> 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"> <li>(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;</li> <li>(b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;</li> <li>(c) is not entitled to receive any dividends declared by the Company; and</li> <li>(d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).</li> </ul>
<b>Vesting of Convertible Securities</b>	<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>
<b>Exercise of Convertible Securities and cashless exercise</b>	<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><b>Market Value</b> 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> <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.</p>
<b>Timing of issue of Shares and quotation of Shares on exercise</b>	<p>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.</p>

<b>Restrictions on dealing with Convertible Securities</b>	<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.</p> <p>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>
<b>Listing of Convertible Securities</b>	<p>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.</p>
<b>Forfeiture of Convertible Securities</b>	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> <li>(a) where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group and the Board exercises its discretion to deem some or all of the Convertible Securities held by a Participant to have been forfeited;</li> <li>(b) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</li> <li>(c) on the date the Participant becomes insolvent; or</li> <li>(d) on the Expiry Date.</li> </ul>
<b>Change of control</b>	<p>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.</p>
<b>Adjustment of Convertible Securities</b>	<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>

<b>Plan Shares</b>	<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>
<b>Rights attaching to Plan Shares</b>	<p>All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (<b>Plan Shares</b>) 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>
<b>Disposal restrictions on Plan Shares</b>	<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 under the Plan, the Participant will not:</p> <ul style="list-style-type: none"> <li>(a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or</li> <li>(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.</li> </ul>
<b>Restriction periods and restrictions on transfer of Shares on exercise</b>	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security 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>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p> <ul style="list-style-type: none"> <li>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the 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 Corporations Act;</li> <li>(b) all Shares issued on exercise of the Convertible Securities are subject to restrictions 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; and</li> <li>(c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.</li> </ul>
<b>Buy-Back</b>	Subject to applicable law, the Company may at any time buy- back Securities in accordance with the terms of the Plan.
<b>Employee Share Trust</b>	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.
<b>Maximum number of Securities</b>	<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 10% 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). Refer to Resolution 12 and Section 12.2.</p> <p>The maximum number of equity securities proposed to be issued under the Plan, following Shareholder approval, is 100,000,000 Securities. It is not envisaged that the maximum number of Securities will be issued immediately.</p>
<b>Amendment of Plan</b>	<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 of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>

<b>Plan duration</b>	<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>
<b>Income Tax Assessment Act</b>	<p>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.</p>

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**ANNEXURE D – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS (RESOLUTION 9)**

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**1. Entitlement**

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

**2. Vesting Conditions**

The Performance Rights will vest 1 year after they have been issued.

**3. Exercise Price**

Nil

**4. Expiry Date**

Each Performance Rights will expire at 5:00 pm (WST) on 30 November 2029 (**Expiry Date**). An Performance Rights not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**5. Exercise Period**

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

**6. Notice of Exercise**

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

**7. Exercise Date**

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

**8. Timing of issue of Shares on exercise**

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

- 8.1 issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- 8.2 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
- 8.3 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 Performance Rights.

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

**9. Shares issued on exercise**

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

**10. Quotation of Shares issued on exercise**

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

**11. Reconstruction of capital**

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

**12. Participation in new issues**

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

**13. Change in exercise price**

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

**14. Transferability**

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

## ANNEXURE E – VALUATION OF PERFORMANCE RIGHTS

The Performance Rights to be issued to the Executive Chairman pursuant to Resolution 8 have been internally valued by management.

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

<b>Assumptions:</b>	<b>LTIPRs</b>	<b>Project Performance Rights (Tranche 1)</b>	<b>Project Performance Rights (Tranche 2)</b>	<b>Project Performance Rights (Tranche 3)</b>
Valuation date	3-Oct-24	3-Oct-24	3-Oct-24	3-Oct-24
Market price of Shares	1 cent	1 cent	1 cent	1 cent
Exercise price	Nil	Nil	Nil	Nil
Expiry date (length of time from issue)	1-Jul-27	1-Jul-25	1-Jan-27	1-Jan-28
Risk free interest rate	3.64%	3.64%	3.64%	3.64%
Volatility (discount)	115%	115%	115%	115%
Number of Performance Rights to be Granted	12,250,000	5,250,000	5,250,000	8,750,000
<b>Indicative value per Related Party Performance Right</b>	<b>\$0.00890</b>	<b>\$0.00890</b>	<b>\$0.00890</b>	<b>\$0.00890</b>
<b>Total Value of Performance Rights</b>	<b>\$109,057</b>	<b>\$46,739</b>	<b>\$46,739</b>	<b>\$77,898</b>

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

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**ANNEXURE F – VALUATION OF PERFORMANCE RIGHTS**

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The Performance Rights to be issued to the Related Parties pursuant to Resolutions 9(a) to 9(b) have been internally valued by management.

Using a Binomial Option Pricing model and based on the assumptions set out below, the Performance Rights were ascribed the following value:

<b>Assumptions:</b>	
Valuation date	3-Oct-24
Market price of Shares	\$0.009
Exercise price	Nil
Expiry date (length of time from issue)	30 Nov 2029
Risk free interest rate	3.64%
Volatility (discount)	115%
<b>Indicative value per Related Party Performance Rights</b>	<b>\$0.00893</b>
<b>Total Value of Performance Rights</b>	<b>\$71,441</b>

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

Your proxy voting instruction must be received by **03.00pm (AWST) on Tuesday, 26 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://automicgroup.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:

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