



**Zenith Minerals Limited**

ABN: 96 119 397 938

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

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**Date of Meeting:** Friday, 29 November 2024

**Time of Meeting:** 9.30 am WST

**Place of Meeting:** PKF Perth

Level 5, 35 Havelock Street, WEST PERTH WA 6005

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**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Shareholders of Zenith Minerals Limited will be held at PKF Perth, Level 5, 35 Havelock Street, West Perth, Western Australia, at 9.30 am WST on Friday, 29 November 2024.

### **AGENDA**

#### **ORDINARY BUSINESS**

##### **AGENDA ITEM 1 - FINANCIAL STATEMENTS AND REPORTS – YEAR ENDED 30 JUNE 2024**

To receive and consider the annual financial statements, the Directors' and Auditor's Reports of the Company for the financial year ending 30 June 2024.

**Note: There is no requirement for Shareholders to approve these reports.**

#### **RESOLUTIONS**

##### **1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)**

To consider and, if thought fit, to pass, the following Resolution as a **non-binding advisory resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the annual Remuneration Report as set out in the Directors' Report for the financial year ending 30 June 2024 on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."*

Please note that in accordance with section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any member of the Key Management Personnel whose remuneration is included in the Remuneration Report and any of their Closely Related Parties. However, the Company will not disregard a vote cast on this Resolution by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or

- (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel.

If you are a member of the Key Management Personnel or a Closely Related Party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

## 2. RESOLUTION 2 – CONDITIONAL SPILL RESOLUTION

Subject to, and conditional on, at least 25% of the votes cast on Resolution 1 being cast against Resolution 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 sections 250U and 250V of the Corporations Act and for all other purposes, the Company hold an extraordinary general meeting of the Company (Spill Meeting) within 90 days of the passing of this Resolution at which:*

- (a) *all the non-executive directors in office when the Directors’ Report for the financial year ended 30 June 2024 was approved and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (b) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to the vote.*

**Voting Prohibition:** A vote must not be cast on this Resolution by any member of the Key Management Personnel of the Company whose remuneration is included in the Remuneration Report, or a Closely Related Party of such member. However, such a person may cast a vote on this Resolution if:

- (a) the person is appointed as proxy by writing that specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel of the Company.

If you are a member of the Key Management Personnel of the Company or a Closely Related Party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

## 3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ANDREW GROVE

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

*“That, Mr Andrew Grove who was appointed as an additional Director on 14 December 2023, retires as a Director of the Company, pursuant to clause 12.7 of the Constitution and Listing Rule 14.4, and being eligible, offers himself for re-election, is re-elected as a Director of the Company.”*

## 4. RESOLUTION 4 – ELECTION OF DIRECTOR – MR EUAN JENKINS

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

*"That, for the purposes of clauses 12.3 and 12.6 of the Company's Constitution, and for all other purposes, Mr Euan Jenkins is elected as a Director of the Company."*

## **SPECIAL BUSINESS**

### **5. RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY**

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

*"That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under the Additional 10% Placement Facility and any person who might obtain a benefit (except a benefit solely by reason of being a holder of ordinary securities) if the Resolution is passed, or any Associate of those persons. However, the Company will not disregard a vote if:

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

**Important note:** The persons to whom any Equity Securities under the Additional 10% Placement Facility may be issued to are not as yet known or identified. In these circumstances (and in accordance with guidance in ASX Guidance Note 21 relating to Listing Rule 7.1A), ASX considers a material benefit to be one that is likely to induce the recipient of the benefit to vote in favour of the transaction regardless on its impact on ordinary security holders. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

### **6. RESOLUTION 6 – ADOPTION OF LONG-TERM INCENTIVE PLAN (NEW 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 Listing Rule 7.2 Exception 13(b) and for all other purposes, Shareholders approve the adoption of the employee incentive scheme known as the "Zenith Minerals Limited Long-Term Incentive Plan", a summary of which is set out in the Explanatory Statement, and the issue of the Equity Securities thereunder, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."*

**Voting Exclusion – Listing Rules:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the employee incentive

scheme and any Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

**Voting Prohibition - Corporations Act:** In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 6 by a member of the Key Management Personnel, or a Closely Related Party of a member of the Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the Company will not disregard any proxy votes cast on this Resolution by a Key Management Personnel if the Key Management Personnel is the Chair acting as proxy and their appointment expressly authorised the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

## **7. RESOLUTION 7 – APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER THE LONG-TERM INCENTIVE PLAN (NEW PLAN)**

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

*“That, conditional on Resolution 6 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued to or to be issued under the “Long-Term Incentive Plan”, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Statement accompanying this Notice of Annual General Meeting.”*

**Voting Prohibition Statement:** A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

Further, in accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the New Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person’s future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

## 8. **RESOLUTION 8 – APPROVAL OF ISSUE OF PERFORMANCE OPTIONS TO ANDREW SMITH (OR HIS NOMINEE)**

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

*“That, subject to the passing of Resolution 6, for the purposes of Listing Rule 10.14 and sections 195(4) of the Corporations Act and for all other purposes, approval be given to issue 5,000,000 Performance Options to Mr Andrew Smith (or his nominee), the Managing Director of the Company, and to issue the Shares on vesting and exercise of those Performance Options, under the Long-Term Incentive Plan on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** A voting exclusion statement and voting prohibition for this Resolution is provided after Resolution 9.

## 9. **RESOLUTION 9 – APPROVAL OF ISSUE OF PERFORMANCE OPTIONS TO ANDREW GROVE (OR HIS NOMINEE)**

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

*“That, subject to the passing of Resolution 6, for the purposes of Listing Rule 10.14 and sections 195(4) of the Corporations Act and for all other purposes, approval be given to issue 1,000,000 Performance Options to Mr Andrew Grove (or his nominee), a Non-Executive Director of the Company, and to issue the Shares on vesting and exercise of those Performance Options, under the Long-Term Incentive Plan on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting exclusion for each of Resolutions 8 and 9 – Listing Rules:** The Company will disregard any votes cast on this Resolution by any member of a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the New Plan and any Associate of those persons. However, the Company will not disregard any votes cast on this Resolution by such person if:

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

**Voting Prohibition for Resolutions 8 and 9 – Corporations Act:** In accordance with section 224 of the Corporations Act, a vote on Resolutions 8 and 9 must not be cast by or on behalf of those persons set out in the table below;

Resolution	Excluded Persons
Resolution 8	Andrew Smith or his Associates.
Resolution 9	Andrew Grove or his Associates.

However, this does not prevent the casting of a vote on Resolutions 8 and 9 if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of a person referred to in the table above. Where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolutions 8 and 9 by a member of the Key Management Personnel, or a Closely Related Party of a member of the Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a Key Management Personnel if the Key Management Personnel is the Chair acting as proxy and their appointment expressly authorised the proxy even though the Resolution is connected with remuneration of the Key Management Personnel for the Company.

## 10. RESOLUTION 10 – APPROVAL OF TERMINATION BENEFITS TO ANDREW SMTH (OR HIS NOMINEE)

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

*“That, subject to the passing of Resolution 8, for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve giving of potential termination benefits to Mr Andrew Smith (or his nominee), the Managing Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.”*

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

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

**Voting Prohibition – Corporations Act:** In accordance with section 200E(2A) and 200E(2B) of the Corporations Act, a vote must not be cast in favour of this Resolution (in any capacity) by or on behalf of Andrew Smith or his Associates. However, this does not prevent the casting of a vote on this

Resolution if it cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of Andrew Smith or his Associates.

## 11. **RESOLUTION 11 – APPROVAL OF TERMINATION BENEFITS TO ANDREW GROVE (OR HIS NOMINEE)**

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

*“That, subject to the passing of Resolutions 3 and 9, for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve giving of potential termination benefits to Andrew Grove (or his nominee), a Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.”*

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

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

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

## 12. **RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER 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 purpose of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue by the Company of 30,299,999 Shares, issued under Listing Rule 7.1, pursuant to the Placement for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

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

### 13. **RESOLUTION 13 – RELATED PARTY PARTICIPATION IN THE PLACEMENT – ANDREW SMITH (OR HIS NOMINEE)**

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

*“That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Shares to Andrew Smith (or his nominee), the Managing Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Andrew Smith (or his nominee), who is to receive the Shares and any other person who will obtain a material benefit as a result of, the issue of Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any Associate of those persons. However, the Company will not disregard a vote if:

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

### 14. **RESOLUTION 14 – RELATED PARTY PARTICIPATION IN THE PLACEMENT – ANDREW GROVE (OR HIS NOMINEE)**

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

*“That, subject to the passing of Resolution 3, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 555,555 Shares to Andrew Grove (or his nominee), the Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Andrew Grove (or his nominee), who is to receive the Shares and any other person who will obtain a material benefit as a result of, the issue of Shares (except a benefit solely by reason of being



a holder of ordinary securities in the Company), or any Associate of those persons. However, the Company will not disregard a vote if:

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

#### 15. **RESOLUTION 15 – RELATED PARTY PARTICIPATION IN THE PLACEMENT – GEOFF ROGERS (OR HIS NOMINEE)**

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

*“That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Shares to Geoff Rogers (or his nominee), the Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Geoff Rogers (or his nominee), who is to receive the Shares and any other person who will obtain a material benefit as a result of, the issue of Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any Associate of those persons. However, the Company will not disregard a vote if:

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

#### 16. **RESOLUTION 16 – RELATED PARTY PARTICIPATION IN THE PLACEMENT – STAN MACDONALD (OR HIS NOMINEE)**

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

*“That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 222,223 Shares to Stan Macdonald (or his nominee), the Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Stan Macdonald (or his nominee), who is to receive the Shares and any other person who will obtain a material benefit as a result of, the issue of Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any Associate of those persons. However, the Company will not disregard a vote if:

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

## 17. RESOLUTION 17 – INCREASE IN NON-EXECUTIVE DIRECTOR REMUNERATION POOL

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 10.17 and clause 12.8 of the Constitution and for all other purposes, Shareholders approve an increase in the aggregate amount of remuneration that may be paid to the Company’s Non-Executive Directors from \$200,000 per annum to \$350,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a Director or any Associate of a Director.

However, the Company will not disregard any votes cast on this Resolution by:

- (a) such persons appointed as proxy or attorney on behalf of a person who is entitled to vote on this Resolution, in accordance with the direction on the submitted voting instructions;
- (b) the Chair of the Meeting, as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this 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 that (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 this Resolution; and (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, the Company will disregard votes cast by a member of the Key Management Personnel (or any of their Closely Related Parties) as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is Chair of the Meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution, even though it is connected with the remuneration of Key Management Personnel.

## BY ORDER OF THE BOARD

**Nicholas Ong**

Company Secretary

29 October 2024

## EXPLANATORY STATEMENT

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

### Voting in person

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

### Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

### Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorizing him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting.

### Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (AEDT) on 27 November 2024.

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.

### Voting by poll

All Resolutions under this Notice will be determined by poll.

### Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [nic@zenithminerals.com.au](mailto:nic@zenithminerals.com.au) by 7:00pm (AEDT) on 25 November 2024.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1110.***

## AGENDA ITEM 1 - FINANCIAL STATEMENTS AND REPORTS

The 2024 Annual Financial Report for the period ended 30 June 2024 (including the financial statements, Directors' Reports and Auditor's Report) is tabled for the information of Shareholders. A copy of the 2024 Annual Financial Report can be accessed on-line at [www.zenithminerals.com.au](http://www.zenithminerals.com.au). Alternatively, a hard copy will be made available on request.

There is no requirement for Shareholders to approve this report and no vote will be taken on the 2024 Annual Financial Report.

However, time will be allowed during the Annual General Meeting for consideration by Shareholders of the Annual Financial Report (including the associated Directors' Report and Auditor's Reports).

The Company's auditor, PKF Perth, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 7:00pm (AEDT) on 27 November 2024:

In person at: Level 2, Ord Street, West Perth WA 6005

By post to: PO Box 1426, West Perth WA 6872

By email to: [info@zenithminerals.com.au](mailto:info@zenithminerals.com.au).

### 1. RESOLUTIONS 1 AND 2 - ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION) AND SPILL RESOLUTION (CONDITIONAL RESOLUTION)

#### 1.1 Background

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for the financial year ended 30 June 2024 (**Remuneration Report**). The Remuneration Report is a distinct section of the annual directors' report (**Directors' Report**) which deals with the remuneration of Directors, executives and senior managers of the Company.

The Company's Remuneration Report for the year ended 30 June 2024 is set out in the 2024 Annual Financial Report and is also available on the Company's website at [www.zenithminerals.com.au](http://www.zenithminerals.com.au).

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance;
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2024.

The Board notes that the Company received a 'first strike' in relation to the Remuneration Report following the 2023 annual general meeting (**Previous Meeting**). The Board has since simplified its composition to have only one Executive Director, and proposes the issue of incentives options (Resolutions 8 and 9) with reasonable vesting conditions. The directors receiving the options will need to pay the exercise price of the non-transferable options before they are entitled to be issued ordinary shares in the Company. The Board is of the view that the directors' remuneration for FY2024 and into FY 2025 are reasonable comparing to other exploration company of similar size.

The remuneration levels for Directors, executives and senior managers are competitively set to attract and retain appropriate Directors and key management personnel.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

## 1.2 Regulatory Requirements

Pursuant to the Corporations Act, a company is required to put to its shareholders a resolution (**Spill Resolution**) proposing the calling of another general meeting (**Spill Meeting**) to consider the appointment of the directors of the company if, at two consecutive annual general meetings:

- (a) at least 25% of the votes cast on a resolution to adopt the remuneration report are cast against adoption of the remuneration report; and
- (b) at the first of those annual general meetings a Spill Resolution was not put to vote.

If the requirements above are met, the Spill Resolution must be put to vote at the second of those annual general meetings (**Second AGM**).

If a Spill Resolution is put to shareholders and more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the Second AGM. All of the directors of the company who were Directors when the resolution to make the Directors' Report considered at the Second AGM was passed, 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.

## 1.3 Previous voting results

At the Previous Meeting the votes cast against the 2023 remuneration report considered at that meeting were greater than 25%, which constitutes a 'first strike' for the purposes of the Corporations Act. Of the votes cast at the Previous Meeting, 53.83% (or 42,402,057 votes) were cast for the adoption of the 2023 remuneration report and 46.17% (or 36,368,611 votes) were cast against it.

## 1.4 Conditional Spill Resolution

This Resolution is a conditional resolution and will only be put to Shareholders if at least 25% of the votes cast on Resolution 1 to adopt the 2024 Remuneration Report are cast against its adoption. If fewer than 25% of the votes cast are cast against its adoption, then there will be no 'second strike' and Resolution 2 will not be put to Shareholders.

If Resolution 2 is put to Shareholders, it will be considered as an ordinary resolution.

Stanley Macdonald, Geoff Rogers, Andrew Grove as non-executive directors who remain in office at the time of the Spill Meeting will cease to hold office at the end of the Spill Meeting unless they are willing to stand for re-election and are re-elected at the Spill Meeting.

In accordance with the Corporations Act, Listing Rules and the Company's Constitution, the Managing Director, Andrew Smith, will not be required to stand for election as a Director at any Spill Meeting and will continue to hold office following any Spill Meeting.

The Board considers the following factors to be relevant to a Shareholder's decision on how to vote on Resolution 2:

- (a) The Board has since simplified its composition to have only one Executive Director, and proposes the issue of incentives options (Resolutions 8 and 9) with reasonable vesting conditions. The directors receiving the options will need to pay the exercise price of the non-transferable options before they are entitled to be issued ordinary shares in the Company. The Board is of the view that the directors' remuneration for FY2024 and into FY 2025 are reasonable comparing to other exploration company of similar size;
- (b) the current Board has the skills and experience to provide effective oversight to the Company and to represent Shareholders;
- (c) Stanley Macdonald and Geoff Rogers have previously been elected by Shareholders (Mr Andrew Smith, as Managing Director, is not required to stand for election); and

- (d) convening a Spill Meeting would cause significant disruption, uncertainty and cost to the Company, which the Board does not consider would be in the best interests of the Company or its shareholders.

If you do not want a Spill Meeting to take place, you should vote against Resolution 2.

If you want a Spill Meeting to take place, you should vote for Resolution 2.

## 1.5 Voting consequences

If Resolution 2 is put to Shareholders and is passed, an extraordinary general meeting of the Company, known as a Spill Meeting, must be held within 90 days of the passing of Resolution 2.

If Resolution 2 is put to Shareholders and is not passed, the Company will not be required to hold a Spill Meeting.

## 1.6 Proxy voting restrictions

Shareholders appointing a proxy for Resolution 1 and Resolution 2 (if applicable) should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

### Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

## 1.7 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

If Resolution 2 is put to Shareholders, the Board recommends that Shareholders vote against Resolution 2.

## 2. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ANDREW GROVE

### 2.1 Background

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

In accordance with clause 12.7 of the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Andrew Grove, having been appointed by other Directors on 14 December 2023 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Further details about Mr Andrew Grove are set out in the Company's 2024 Annual Report which is available on the Company's website at [www.zenithminerals.com.au](http://www.zenithminerals.com.au).

### 2.2 Technical information required by Listing Rule 14.1A

If Shareholders do not vote in favour of Resolution 3, Mr Andrew Grove will not be re-elected as a Director of the Company and will retire at the conclusion of the Annual General Meeting.

If Shareholders vote in favour of Resolution 3, Mr Andrew Grove will be re-elected as a Director of the Company.

## **2.3 Board Recommendation**

The Directors (other than Mr Andrew Grove) unanimously recommend that Shareholders vote in favour of Resolution 3.

## **3. RESOLUTION 4 – ELECTION OF DIRECTOR – MR EUAN JENKINS**

### **3.1 Background**

The Constitution allows the Board to recommend, at any time, a person to be a Director of the Company by resolution passed in general meeting.

As announced on 9 October 2024, and in accordance with clauses 12.3 and 12.6 of the Constitution, the Board nominates Mr Euan Jenkins to the position of non-executive Director of the Company.

If, by the date of the Annual General Meeting, Mr Jenkins has not met all of his statutory obligations (including obtaining a director identification number) to be validly appointed as a non-executive Director of the Company, the Company will withdraw this Resolution. In this event, the Company intends to appoint Mr Jenkins at a later date in accordance with clause 12.7 of the Constitution.

### **3.2 Biography**

Mr Jenkins is a long-term supportive shareholder and provides strong connections with a significant number of shareholders, including several based in Europe.

Mr Jenkins brings over 31 years of experience in global banking, having concluded his career at J.P. Morgan in London, following significant roles at ABN Amro and McIntosh Securities. Since then, Mr Jenkins has played a pivotal role in numerous capital raisings and seed capital investments across a wide range of industries, both in Australia and Europe. His expertise spans sectors including gold, base metals, battery metals, biotech, property, and the luxury sector, through his involvement with the Paris-based OLMA fund.

Currently, Mr Jenkins serves as a non-executive director of Bradda Head Lithium, a lithium exploration company listed on both the London and Canadian stock exchanges. In addition to his extensive industry knowledge, Mr Jenkins has deep connections with the European shareholder base, providing valuable access and a gateway to European markets. His career has equipped him with a strong understanding of financial systems and global jurisdictions, having worked across key financial hubs such as Melbourne, Sydney, New York, London, and Switzerland.

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

If Shareholders do not vote in favour of Resolution 4, Mr Euan Jenkins will not be elected as a Director of the Company.

If Shareholders vote in favour of Resolution 4, Mr Euan Jenkins will be elected as a Director of the Company.

### **3.4 Board Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

## **4. RESOLUTION 5 - APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY**

### **4.1 Background**

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12-month period following the entity's Annual General Meeting (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's Annual General Meeting. The Company is an eligible entity as at the time of this Notice of Annual General Meeting and is expected to be an eligible entity as at the time of the Annual General Meeting.

This Resolution seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility. The effect of this Resolution will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the period set out below.

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities that the Company may issue under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 1.1(d) of this Notice of Annual General Meeting below).

The Company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

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

If this Resolution is passed, the Company will be able to issue under the Additional 10% Facility up to a combined 25% limit under Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the Additional 10% Placement Facility to issue Equity Securities without Shareholder approval provided for in 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.

#### **4.3 Regulatory Requirements**

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

##### **(a) Issue Period**

If Shareholders approve this Resolution, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- (i) the date that is 12 months after the date of the Annual General Meeting;
- (ii) the time and date of the Company's next Annual General Meeting; and
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the **Additional 10% Placement Period**).

The Company will only issue and allot Equity Securities during the Additional 10% Placement Period.

##### **(b) Minimum Issue Price**

Equity Securities issued under the Additional 10% Placement Facility must be in the same class as an existing class of quoted Equity Securities of the Company. As at the date of this Notice of Annual General Meeting, the Company has on issue one class of quoted Equity Securities, Shares.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were conducted immediately before:

- (i) the date on which the Equity Securities are issued; or
- (ii) the date on which the price of Equity Securities is agreed, provided that the issue is thereafter completed within 10 trading days.

##### **(c) Purpose of Issues**

The Company may seek to issue the Equity Securities to raise funds in connection with an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and general working capital.



The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.3.

(d) **Dilution**

As at the date of this Notice of Annual General Meeting, the Company has 375,125,326 Shares on issue. Accordingly, if Shareholders approve this Resolution, the Company will have the capacity to issue approximately 37,512,532 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

**(A x D) – E**

**A =** the number of fully paid ordinary securities on issue at the commencement of the relevant period:

- (i) plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than 9, 16 or 17;
- (i) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (A) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4,
- (ii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (A) the agreement was entered into before the commencement of the relevant period; or
  - (B) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 7.4,
- (iii) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or 7.4,
- (iv) plus the number of partly paid ordinary securities that became fully paid in the relevant period; and
- (v) less the number of fully paid ordinary securities cancelled in the relevant period.

*Note that variable “A” is has the same meaning in Listing Rule 7.1 when*

*calculating an entity's 15% placement capacity.*

**D =** 10%

**E =** the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4; and

**“relevant period”** is the 12 months immediately preceding the date of the issue or agreement.

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Options, only if the Options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Annual General Meeting.

The table also shows:

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

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.025 50% decrease in Issue Price	\$0.05 Issue Price	\$0.075 50% increase in Issue Price
<b>Current Variable A</b> 375,125,326 Shares	Shares issued (10% Voting Dilution)	37,512,532 New Shares	37,512,532 New Shares	37,512,532 New Shares
	Funds raised	\$937,813	\$1,875,627	\$2,813,440
<b>50% increase in current Variable A</b> 562,687,989	Shares issued (10% Voting Dilution)	56,268,798 New Shares	56,268,798 New Shares	56,268,798 New Shares

Shares	Funds raised	\$1,406,720	\$2,813,440	\$4,220,160
<b>100% increase in current Variable A</b> 750,250,652 Shares	Shares issued (10% Voting Dilution)	75,025,065 New Shares	75,025,065 New Shares	75,025,065 New Shares
	Funds raised	\$1,875,627	\$3,751,253	\$5,626,880

**The table has been prepared on the following assumptions:**

1. Variable A is 375,125,326 being the number of ordinary securities on issue at the date of this Notice of Meeting.
2. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
3. No Options (including any Options issued under the Additional 10% Placement Facility) are exercised into Shares before the date of issue of the Equity Securities.
4. The Company has not issued any other Equity Securities using its placement capacity under Listing Rules 7.1 or 7.1A in the 12 months preceding this Notice of Meeting.
5. 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%.
6. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
8. The issue price is \$0.05, being the closing price of the Shares on ASX on 19 October 2024, being the last trading day before the date of this Notice of Annual General Meeting.

(e) **Allocation Policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the persons to which the Company will issue the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The persons to whom the Company will issue Equity Securities under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and / or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the persons to whom the Company will Equity Securities under the 10% Placement Facility will be the vendors of the new resources assets or investments.

(f) **Previous issues of Equity Securities under Listing Rule 7.1A**

The Company has not previously issued or agreed to issue any Equity Securities under Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting.

(g) **Voting exclusion statement**

No voting exclusion statement applies to this Resolution.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

#### **4.4 Board Recommendation**

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve this Resolution.

### **5. RESOLUTION 6 – ADOPTION OF THE LONG-TERM INCENTIVE PLAN (NEW PLAN)**

#### **5.1 General**

The Directors considered that it was desirable to establish an employee long-term incentive plan pursuant to which employees may be offered the opportunity to be granted performance rights (**Performance Rights**). The Company has previously had in place the Employee Share Option Plan. The Directors adopted the Long-term Incentive Plan on 25 November 2020.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.2 Exception 13(b), to adopt the new employee incentive plan titled the "Long-term Incentive Plan" (**New Plan**). The Board is seeking shareholder approval for the New Plan in accordance with the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

The Listing Rules require the Company to seek shareholder re-approval of the employee incentive scheme every three years. Additionally, in the current extremely competitive market for employees the Board has decided to update its employee incentive plan so that the plan better meets the Company's objectives. As such, the Company is seeking Shareholder approval to adopt the New Plan.

The purpose of the New Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Persons;
- (b) align the interests of Eligible Persons more closely with the interests of Shareholders by providing an opportunity for Eligible Persons to receive an equity interest in the form of Awards; and
- (c) provide Eligible Persons with the opportunity to share in any future growth in value of the Company.

For the avoidance of doubt, the Directors may adopt the New Plan without Shareholder approval in any event. The purpose of Resolution 6 is to seek Shareholder approval for the issue of Performance Rights under the New Plan to utilise the exemption to Listing Rule 7.1 whereby if Shareholders approve Resolution 6, any issues of Performance Rights under the New Plan will not be included in the Company's Listing Rule 7.1 capacity.

#### **5.2 Regulatory Requirements**

Listing Rule 7.1 provides that, unless an exception applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves, or when aggregated with the Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12-month period.

Listing Rule 7.2 Exception 13(b) sets out an exception to Listing Rule 7.1. It provides that issues of securities under an employee incentive scheme are not included in a company's 15% limit under Listing Rule 7.1, if within three years before the date of issue, shareholders have approved the issue of securities thereunder as an exception to Listing Rule 7.1.

Accordingly, Resolution 6 seeks approval from Shareholders for adoption of the New Plan and the issue of Equity Securities thereunder for a period of three years from the date of the Meeting, as an exception to Listing Rule 7.1.

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

If Resolution 6 is passed, the Company will be able to issue Equity Securities under the New Plan to eligible participants over a period of three years from the date of the Meeting without impacting on the Company's ability to issue to up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

If Resolution 6 is not passed, the Directors may still adopt the New Plan and the Company will be able to proceed with the issue of Equity Securities under it. However, the issue of Equity Securities under the New Plan will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Equity Securities. Accordingly, the Company will not be able to utilise the exception to Listing Rule 7.1 that is provided in Listing Rule 7.2 Exception 13(b).

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

### **5.4 Regulatory Requirements – Listing Rules**

The following information is provided to Shareholders for the purpose of Listing Rule 7.2 Exception 13:

(a) **Summary of the New Plan**

A summary of the terms of the New Plan are set out in Schedule 1.

(b) **Previous issues of securities under the New Plan**

This is the first approval sought under Listing Rule 7.2 Exception 13(b) with respect to the New Plan. Accordingly, no Performance Rights have previously been issued under the New Plan as it is a new incentive plan.

(c) **Maximum number of Equity Securities**

The maximum number of Performance Rights proposed to be issued under the New Plan following Shareholder approval is 38,168,088. This number is not intended to be a prediction of the actual number of Equity Securities to be issued by the Company, simply a ceiling for the purposes of Listing Rule 7.2 Exception 13(b).

The maximum number of Performance Rights proposed to be issued under the New Plan may be increased with Shareholder approval. Any issues of Performance Rights issued outside of the maximum number of Performance Rights, and issued without Shareholder approval, will be issued using the Company's existing placement capacity under Listing Rule 7.1.

(d) **Voting Exclusion Statement**

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

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

If Resolution 6 is passed, the Company will be able to offer 'termination benefits' to persons holding 'managerial or executive office' in the Company pursuant to the terms of the New Plan.

If Resolution 6 is not passed, the Company will not be able to offer 'termination benefits' to persons holding 'managerial or executive office' in the Company pursuant to the terms of the New Plan.

### **5.6 Board Recommendation**

Each of the Directors has an interest in the outcome of Resolution 6 and accordingly does not make a voting recommendation to Shareholders.

## **6. RESOLUTION 7 - APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER THE LONG-TERM INCENTIVE PLAN (NEW PLAN)**

### **6.1 General**

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons holding 'managerial or executive office'. The Listing Rules also provide certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the New Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under it will not lapse in the event of that participant ceasing their engagement with the Company before such Equity Securities have vested. This 'accelerated vesting' of Equity Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

Resolution 7 is conditional on the passing of Resolution 6.

If Resolution 6 is not approved at the Meeting, Resolution 7 will not be put to the Meeting.

### **6.2 Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 6, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the New Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold, a managerial or executive office in the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Statement.

As noted above, under the terms of the New Plan and subject to the Listing Rules, the Board possesses the discretion to vary the terms or conditions of the Equity Securities. Notwithstanding the foregoing, without the consent of the participant in the New Plan, no amendment may be made to the terms of any granted Equity Securities which reduces the rights of the participant in respect of that Equity Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Equity Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Performance Rights.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the New Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Equity Securities at the time of their leaving.

### **6.3 Valuation of the termination benefit**

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

The value of the termination benefits that the Board may give under the New Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Equity Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Equity Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Equity Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

#### **6.4 Board Recommendation**

The Board declines to make a recommendation in relation to Resolution 7 due to their potential personal interests in the outcome of the resolution.

### **7. RESOLUTIONS 8 AND 9 – ISSUE OF PERFORMANCE OPTIONS TO DIRECTORS – ANDREW SMITH AND ANDREW GROVE**

#### **7.1 Background to Resolutions 8 and 9**

Resolutions 8 and 9 seek Shareholder approval to issue Performance Options to the Directors pursuant to the Plan.

Subject to Shareholder approval, the Board has resolved to grant 6,000,000 Performance Options (in aggregate) pursuant to the New Plan to Andrew Smith and Andrew Grove, as follows:

Resolution	Director	Number of Performance Options
Resolution 8	Andrew Smith, Managing Director	5,000,000
Resolution 9	Andrew Grove, Non-Executive Director	1,000,000

The key terms and conditions of the New Plan are set out in Schedule 1.

The vesting conditions attaching to the Performance Options are set out in Schedule 2.

#### **7.2 Regulatory Requirements**

Resolutions 8 and 9 seek Shareholder approval in order to comply with the requirements of Listing Rule 10.14 and sections 195(4) of the Corporations Act.

Each of Resolutions 8 and 9 are subject to Resolution 6 being passed.

Resolution 9 is subject to Resolution 3 being passed.

Resolutions 8 and 9 (as applicable to each Director) are not conditional on the passing of Resolutions 10 and 11 (as applicable to each Director). However, as set out in section 8.1 of this Explanatory Statement, Resolutions 10 and 11 (as applicable to each Director) are conditional on the passing of Resolutions 8 and 9 (as applicable to each Director).

#### **7.3 Listing Rule 10.14**

Listing Rule 10.14 provides that a company must not issue, under an employee incentive scheme, Equity Securities to:

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

unless the issue has been approved by holders of ordinary securities.

The Performance Options to be issued to each of the Directors fall within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 8 and 9 seek the required Shareholder approval to the issue of the Performance Options under and for the purposes of Listing Rule 10.14.

#### 7.4 Technical information required by Listing Rule 14.1A

If either of Resolutions 8 and 9 are passed, the Company will be able to proceed with the issue of the Performance Options the subject of the respective Resolution which is passed.

If either of Resolutions 8 and 9 are not passed, the Company will not be able to proceed with the issue of the Performance Options the subject of the respective Resolution which is not passed.

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

#### 7.5 Listing Rule 10.15

In compliance with the information requirements of Listing Rule 10.15, Shareholders are advised of the following information:

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

The Performance Options will be issued to Andrew Smith and Andrew Grove (or their respective nominees), who fall within the category set out in Listing Rule 10.14.1, as each is a related party of the Company by virtue of being a Director.

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

The number of Performance Options to be issued to each of Andrew Smith and Andrew Grove (or their respective nominees) is 5,000,000 and 1,000,000 respectively.

(c) **Directors' current total remuneration package**

Details of the proposed remuneration of Andrew Smith and Andrew Grove, including their related entities, for the year ending 31 December 2024, is as follows:

Director	Salary & Fees (incl Super) <sup>1</sup> \$	Performance Options <sup>2</sup> \$	Total Remuneration \$
Andrew Smith	\$300,000	\$132,030	\$432,030
Andrew Grove	\$45,000	\$13,338	\$58,338

**Notes:**

1. Includes annual share-based compensation expense and superannuation for each of the Directors.
2. Value of the Performance Options, which are subject to approval pursuant to Resolutions 8 and 9. The market-based condition was determined using the Black Scholes pricing model.

(d) **Previous issues to the Directors under the New Plan**

As this is the first time that Shareholder approval is being sought for the adoption of the New Plan under Resolution 6, no Equity Securities have previously been issued under the New Plan.

(e) **Material terms of Performance Options**

A summary of the material terms and conditions of the Performance Options is provided for in Schedule 2 to this Notice.

The Company has proposed to issue the Performance Options to reward and incentivise the Directors to contribute to the growth of the Company and to secure and retain employees and directors who can assist the Company in achieving its objectives. The Company believes that the grant of the Performance Options provides a cost-effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses).



(f) **Value attributed to Performance Options**

The value attributed to each Performance Option to be granted to Mr Smith is \$0.0264 on 21 October 2024. The value attributed to each Performance Option to be granted to Mr Grove is \$0.013 on 21 October 2024.

(g) **Issue date**

The Company will issue the Performance Options under Resolutions 8 and 9 as soon as possible after the date of the Meeting and in any event within three years of the Meeting.

(h) **Issue price**

The Performance Options are to be issued for a nil issue price.

(i) **Summary of material terms of the Plan and Eligible Participants**

A summary of the material terms of the New Plan is provided for in Schedule 1 to this Notice.

The Board may, in its absolute discretion, invite an “Eligible Person” to participate in the New Plan. An “Eligible Person” 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 and has been determined by the Board to be eligible to participate in the New Plan from time to time.

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

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution is approved and who are not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

(j) **Loan**

No loans have or will be made by the Company in connection with the proposed issue of the Performance Options.

(k) **Voting exclusion statement**

A voting exclusion statement for Resolutions 8 and 9 is included in the Notice of General Meeting preceding this Explanatory Statement.

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

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

## **7.6 Section 195(4) of the Corporations Act**

Each of the Directors has a material personal interest in the outcome of Resolutions 8 and 9 in this Notice of Meeting by virtue of the fact that Resolutions 8 and 9 are concerned with the issue of Performance Options to Directors.

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

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

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

## 7.7 Chapter 2E of the Corporations Act

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

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

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

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

One exception to the general rule is where the benefit constitutes “reasonable remuneration” in respect of the duties and responsibilities of the related party in the management of the public company.

The Board considers that the granting of the Performance Options to the Directors constitutes reasonable remuneration, given both the Company’s circumstances and the responsibilities involved in the role of the Directors within the organisation.

On this basis, as the provision of such a benefit is expressly permitted by section 211(1) of the Corporations Act, the Directors do not consider the Company is required to seek shareholder approval for the purposes of Chapter 2E of the Corporations Act in order to give each Director the financial benefit that is inherent in the issue of the Performance Options.

For the benefit of Shareholders, the Company has nonetheless provided the disclosure requirements in section 219 of the Corporations Act.

### **Identity of the parties to whom Resolutions 8 and 9 permit financial benefits to be given**

The Performance Options are proposed to be issued to Andrew Smith and Andrew Grove, both of whom are Directors of the Company and are, as such, related parties of the Company.

#### **(a) Nature of the financial benefits**

Resolutions 8 and 9 seek approval from Shareholders to allow the Company to issue to the Directors the Performance Options, the material terms of which are set out at Schedule 2.

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

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

#### **(b) Dilution**

If the Performance Options vest and are exercised, the effect will be to dilute the holdings of Shares of other Shareholders. The issue of the Performance Options in Resolutions 8 and 9 will in aggregate be equal to approximately 1.6% of the Company’s diluted share capital and exercise of all the Performance Options granted pursuant to Resolutions 8 and 9 (based on

the number of Shares on issue as at the date of this Notice of General Meeting), resulting in a total of 381,125,326 Shares on issue.

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

The direct and indirect interests of the Directors in securities of the Company as at the date of this Notice of Meeting are set out at section 7.31.1(c) above.

(d) **Remuneration of Directors**

Details of the proposed remuneration of each Director, including their related entities, for the year ended 31 December 2024, is set out in section 7.31.1(c) above.

(e) **Trading history**

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

Highest: \$0.20 on 13 November 2023

Lowest: \$0.035 on 11 September 2024

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.05 per Share on 19 October 2024.

(f) **Corporate Governance**

The Board acknowledges the grant of the Performance Options to Andrew Smith, the Managing Director of the Company, and Andrew Grove, a Non-Executive Director of the Company, is contrary to Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board considers that the grant of Performance Options is reasonable in the circumstances as the proposed issue will further align the interests of Andrew Smith and Andrew Grove with those of the Shareholders and shall provide appropriate remuneration for these Directors' ongoing commitment and contribution to the Company whilst minimising the expenditure of the Company's cash resources.

(g) **Taxation consequences**

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

**7.8 Board Recommendation**

The Board (other than Andrew Smith in respect of Resolution 8 and Andrew Grove in Respect of Resolution 9) recommend that Shareholders vote in favour of Resolutions 8 and 9.

**8. RESOLUTIONS 10 AND 11 – APPROVAL OF POTENTIAL TERMINATION BENEFITS TO DIRECTORS - ANDREW SMITH AND ANDREW GROVE**

**8.1 Background**

Resolutions 10 and 11 seek Shareholder approval to give potential termination benefits to the Directors in connection with the issue of Performance Options, the subject of Resolutions 8 and 9.

Resolution 10 seeks Shareholder approval to give potential termination benefits to Mr Andrew Smith in connection with the Performance Options the subject of Resolution 10, being 5,000,000 Performance Options. Resolution 10 is conditional upon the passing of Resolution 8.

Resolution 11 seeks Shareholder approval to give potential termination benefits to Mr Andrew Grove in connection with the Performance Options the subject of Resolution 11, being 1,000,000 Performance Options. Resolution 11 is conditional upon the passing of Resolutions 3 and 9.

**8.2 Termination Benefits - Sections 200B and 200E of the Corporations Act**

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

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

The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the New Plan, including the discretion to determine the automatic vesting of Performance Options in certain circumstances following cessation of a participant’s employment with the Company. This includes circumstances where the participant is a “Good Leaver” or ceases employment following a change of control event. Accordingly, Shareholder approval is sought for Andrew Smith and Andrew Grove to be given any such benefit in connection with their retirement from office or cessation of employment with the Company in relation to the Performance Options the subject of Resolutions 8 and 9 (as applicable).

If Shareholder approval is given under Resolutions 10 and 11, the Company will still be required to comply with Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and a cap on the value of termination benefits that can be paid to officers of the Company.

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

(a) **Details of Termination Benefit**

Pursuant to the terms of the New Plan, the Board possesses the discretion to determine that where a participant ceases employment with the Company and is a “Good Leaver”, any Performance Options that had not vested prior to the participant ceasing employment with the Company will not lapse, as they would otherwise in accordance with the terms of the New Plan. The exercise of this discretion may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

In addition, subject to the exercise of the Board’s discretion, a participant may become entitled to automatic vesting of Performance Options if there is a change of control event in respect of the Company and as a result the participant ceases their employment with the Company. The exercise of this discretion may also constitute a “benefit” for the purposes of section 200B of the Corporations Act.

The Company is therefore seeking Shareholder approval for the exercise of the Board’s discretion and for the provision of such automatic vesting rights in respect of any current or future participant in the New Plan who:

- (i) ceases their employment with the Company and at the time of ceasing employment with the Company:
  - A. is a Good Leaver; and
  - B. holds a managerial or executive office in the Company (or any of its related bodies corporate) or held such an office at any time in the three years prior to their leaving; and
  - C. holds unvested Performance Options issued under the Plan; or
- (ii) ceases their employment with the Company by virtue of a change of control event and at the time of the change of control event:
  - A. held a managerial or executive office in the Company (or any of its related bodies corporate); and
  - B. held unvested Performance Options issued under the Plan.

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

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

The value of the termination benefits that the Board may give under the New Plan cannot be determined in advance. This is because various matters will or are likely to affect that value.

In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Performance Options that vest.

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

- (i) the participant's length of service and the portion of any vesting period remaining at the time they cease employment;
- (ii) the status of the performance hurdles/vesting conditions attaching to the Performance Options at the time the participant's employment ceases; and
- (iii) the number of unvested Performance Options that the participant holds at the time they cease employment.

### 8.3 Termination Benefits - Listing Rule 10.19

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

The Company is seeking Shareholder approval for the purposes of Listing Rule 10.19 so that the Performance Options, the subject of Resolutions 8 and 9, which are proposed to be issued to Andrew Smith and Andrew Grove (or their nominees) for past performance shall not be forfeited by virtue of their resignation.

The value of the termination benefits payable to Andrew Smith and Andrew Grove (or their nominees) under Resolutions 10 and 11 depend on the factors set out above in section 8.2 of the Explanatory Statement. It is possible that the provision of the benefits associated with the vesting and exercise of the Performance Options in the future may exceed 5% of the equity interests of the Company at the relevant time, although it is unlikely.

Each of Resolutions 10 and 11 is conditional upon the passing of Resolutions 8 and 9 (as applicable). Resolution 11 is also conditional upon the passing of Resolution 3.

The effect of the outcome of Resolutions 10 and 11 are as follows:

Outcome	Effect
Resolutions 8 and 10 are passed (Andrew Smith)	The Company will be able to give termination benefits in connection with the Performance Options, the subject of Resolutions 8 and 9 (as applicable), which exceed the 5% threshold to the current Directors in accordance with the rules of the New Plan in connection with any Director ceasing to hold their managerial or executive office.
Resolutions 9 and 11 are passed (Andrew Grove)	Each approval will be effective for a period of three years from the date it is passed. This means that each approval will be effective if the Board exercises its discretion under the New Plan and a Director's employment or office ceases during the period of three years after the approval of the relevant Resolution. If considered appropriate, the Board may seek new approval from Shareholders at the expiry of this three-year period.
Resolution 10 is passed but Resolution 8 is not passed	Resolution 10 will have no effect.
Resolution 11 is passed but Resolution 9 is not passed	Resolution 11 will have no effect.

Outcome	Effect
Resolution 10 is not passed (regardless of the outcome of Resolution 8)	The Company will not be able to give termination benefits to the relevant Director in respect of the Performance Options the subject of Resolutions 8 and 9 (as applicable) where those termination benefits exceed the 5% threshold.
Resolution 11 is not passed (regardless of the outcome of Resolution 9)	

#### 8.4 Board Recommendation

The Board declines to make a recommendation in relation to Resolutions 10 and 11 due to the potential personal interests of Directors in the outcome of each Resolution.

### 9. BACKGROUND TO RESOLUTIONS 12 - 16

As announced to ASX on 9 and 22 October 2024, the Company has undertaken a placement to sophisticated and professional investors to raise approximately \$1.02 million, before costs, via the issue of 30,299,999 Shares (in aggregate) (**Placement Shares**) at an issue price of \$0.045 each (**Placement**). The Company issued the Placement Shares on 16 October 2024 (23,744,443 Shares) and 22 October 2024 (6,555,556 Shares) respectively.

The Directors agreed to participate in the Placement, on the same terms, subject to Shareholder approval to raise a further \$125,000 via the issue of 2,777,778 Shares at an issue price of \$0.045 per Share.

Mr Andrew Smith agreed to subscribe under the Placement for 1,000,000 Shares, Mr Andrew Grove agreed to subscribe under the Placement for 555,555 Shares, Mr Geoff Rogers agreed to subscribe under the Placement for 1,000,000 Shares and Mr Stan Macdonald agreed to subscribe under the Placement for 222,223 Shares (together, **Director Placement Shares**).

Resolution 12 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares that were issued without Shareholder approval under Listing Rule 7.1.

Resolutions 13 to 16 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Placement Shares to Messrs Smith, Grove, Rogers and Macdonald respectively.

### 10. RESOLUTION OF PRIOR ISSUE OF PLACEMENT SHARES

#### 10.1 Background

As stated in section 9 of the Explanatory Statement, Resolution 12 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares that were issued without Shareholder approval.

#### 10.2 Regulatory Requirements

Listing Rule 7.1 provide that, company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% (under Listing Rule 7.1) of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issue of the Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Placement Shares.

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1.

Accordingly, under Resolution 12, the Company seeks from Shareholders approval for, and ratification of, the issue of 30,299,999 Placement Shares under Listing Rule 7.4.

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

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

### 10.3 Technical information required by Listing Rule 7.5

Listing Rule 7.5 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.4 and the following information is included in this Explanatory Statement for this purpose:

(a) **The names of the persons to whom the entity issued the Shares**

The Placement Shares were issued to sophisticated and professional investors. None of the sophisticated and professional investors are a related parties of the Company nor material investors.<sup>1</sup>

(b) **Number of securities and class of securities issued**

Under Resolution 12 the Company seeks Shareholder approval for, and ratification of, the issue of 30,299,999 Placement Shares.

(c) **Terms of the securities**

The Placement Shares are fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with existing Shares.

The Company has applied to ASX for official quotation of all the Shares.

(d) **Date of issue**

The Placement Shares were issued on 16 October 2024 (23,744,443 Shares) and 22 October 2024 (6,555,556 Shares) respectively.

(e) **Issue price or other consideration**

The Placement Shares were issued for nil consideration.

(f) **Purpose of the issue, including the intended use of the funds raised**

Use of Proceeds	Amount
Red Mountain Drilling	500,000
Dulcie Far North Drilling	500,000
Working Capital and Placement Costs	440,000

(g) **Relevant agreement**

The Placement Shares were not issued pursuant to any agreement.

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

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

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

(h) **Voting exclusion statement**

A voting exclusion statement for this Resolution is included in this Notice preceding this Explanatory Statement.

**10.4 Board recommendation**

The Board recommends Shareholders vote in favour of this Resolution.

The Chair intends to vote undirected proxies in favour of the Resolution.

**11. RESOLUTIONS 13 TO 16 – DIRECTOR PARTICIPATION IN THE PLACEMENT**

**11.1 Background**

As stated in section 9 of the Explanatory Statement, Resolutions 13 to 16 seek Shareholder approval for Messrs Smith, Grove, Rogers and Macdonald (or their respective nominees) to participate in the Placement and to receive the Director Placement Shares. A total of 2,777,778 Shares is proposed to be issued to Messrs Smith, Grove, Rogers and Macdonald.

**11.2 Regulatory Requirements**

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

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolutions 13 to 16 propose the issue of a total of 2,777,778 Shares under the Placement to the Directors, who are related parties of the Company by virtue of their directorships.

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

If either of Resolutions 13 to 16 are passed, the Director that is the subject of the relevant Resolution that is passed will be able to participate in the Placement and subscribe for the number of Director Placement Shares as applicable to that Director as set out at section **Error! Reference source not found.** of the Explanatory Statement.

If either of Resolutions 13 to 16 are not passed, the Director that is the subject of the relevant Resolution that is not passed will not be able to participate in the Placement and will not be issued Director Placement Shares.

**11.3 Technical information required by Listing Rule 10.13**

Pursuant to, and in accordance with, Listing Rule 10.13, Shareholders are advised of the following information:

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

The Shares to be issued under Resolutions 13 to 16 are to be issued to Messrs Smith, Grove, Rogers and Macdonald (or their respective nominees).

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

Each of Messrs Smith, Grove, Rogers and Macdonald is a Director and is, as such, a person who falls within Listing Rule 10.11.1.

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

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

Name	Number of Shares based on an issue price of \$0.045 per Share
Mr Andrew Smith	1,000,000



Name	Number of Shares based on an issue price of \$0.045 per Share
Mr Andrew Grove	555,555
Mr Geoff Rogers	1,000,000
Mr Stan Macdonald	222,223

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

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

(e) **Issue date**

The Company will issue the Shares under Resolutions 13 to 16 as soon as possible after the date of the Meeting and in any event within a month of the Meeting.

(f) **Issue price**

The issue price will be \$0.045 per Share, being the same issue price as the Placement Shares.

(g) **Purpose of the issue, including the intended use of the funds raised**

Use of Proceeds	Amount
Red Mountain Drilling	500,000
Dulcie Far North Drilling	500,000
Working Capital and Placement Costs	440,000

(h) **Relevant agreement**

The Director Placement Shares are not to be issued under any agreement.

(i) **Voting exclusion statement**

A voting exclusion statement for Resolutions 13 to 16 is included in the Business of Meeting section of this Notice of Meeting.

#### 11.4 Regulatory Requirements - Chapter 2E Corporations Act

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company. Specifically, section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions in sections 210 to 216 of the Corporations Act; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

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

A "financial benefit" is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance of the transaction in determining whether a financial benefit is given. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a

related party. Accordingly, the issues of the Shares under Resolutions 13 to 16 to the Directors constitute the provision of a financial benefit to a related party.

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

Approval is not being sought under Chapter 2E of the Corporations Act for Resolutions 13 to 16 as it is the view of the Board that the issue of the Shares by the Company to the Directors is being made on arm's length terms as the Shares are on the same terms as the Shares issued to sophisticated and professional investors under the Placement.

## **11.5 Section 195(4) of the Corporations Act**

Two of the Directors have a material personal interest in the outcome of Resolutions 13 to 16 (as applicable to each Director) in this Notice of Meeting by virtue of the fact that Resolutions 13 to 16 are concerned with the issue of securities to Andrew Smith and Andrew Groves.

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

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

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

## **11.6 Board Recommendation**

The Board declines to make a recommendation to Shareholders with respect to Resolutions 13 to 16, due to the fact Messrs Smith, Grove, Rogers and Macdonald as each has a personal interest in the outcome of the Resolutions.

## **12. RESOLUTION 17 – INCREASE IN NON-EXECUTIVE DIRECTOR REMUNERATION POOL**

### **12.1 Background**

ASX Listing Rule 10.17 provides that a listed entity must not increase the total aggregate amount of directors fees payable to all of its non-executive directors without Shareholder approval.

Director's fees include all fees payable by the entity or any of its child entities to a non-executive director for acting as a director of the entity or any of its child entities (including attending and participating in any board committee meeting), superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with an entity's constitution or securities issued to a non-executive director under Listing Rules 10.11 or 10.14 with the approval of the holders of its ordinary securities.

Clause 12.8 of the Company's Constitution also provides that the total aggregate remuneration payable to non-executive Directors will not exceed the sum determined by Shareholders in a general meeting. The current maximum total annual remuneration pool of \$200,000 was previously approved in 2007.

The Board considers that the proposed increase in the remuneration pool is appropriate to allow room to accommodate an increase in the number of non-executive Directors in the event the Board feels additional appointments may be necessary and appropriate.

The Board is of the view that the proposed increase in the remuneration pool is reasonable and in line with market remuneration paid to non-executive directors at similar ASX listed companies and is necessary to attract and retain suitably qualified non-executive directors.

It is important to note that the inclusion of Resolution 17 to increase the remuneration pool to a maximum of \$350,000 per annum does not mean that this will be utilised, particularly given the current number of non-executive Directors. The limit of \$350,000 is a cap that must be made under the ASX

Listing Rules and the Constitution and the Board believes that it is unlikely to be used subject to further Board appointments.

## 12.2 Technical information required by Listing Rule 10.17

If Resolution 17 is approved by Shareholders, the remuneration pool will be increased to \$350,000. The Board is seeking shareholder approval to increase the current cap for the following reasons:

- (a) an increase in the remuneration pool will give the Company flexibility in relation to the appointment of additional Directors, particularly given the Company is seeking to advance development of its current projects;
- (b) to ensure the remuneration pool can accommodate payment of fees to any additional non-executive directors who may be appointed;
- (c) to enable the Company to maintain remuneration arrangements that are market competitive, so it can retain existing non-executive Directors and attract and retain high calibre individuals as non-executive Directors; and
- (d) to provide for non-executive Directors' fees to grow in the future to reflect market trends in the longer term.

If Resolution 17 is not approved, the remuneration pool will remain at \$200,000 and the Board will not have the flexibility described above and any future non-executive director appointments and fees will need to be assessed within the current remuneration cap. This may impact the Company's ability to remunerate, attract and retain appropriately skilled non-executive directors.

In the past 3 years, the Company has issued an aggregate of 5,000,000 Options to non-executive Directors pursuant to Listing Rules 10.11 and 10.14, as detailed below:

Director	Shares	Options	Performance Rights
Mr Andrew Grove <sup>1</sup>	Nil	Nil	Nil
Mr Geoff Rogers <sup>2</sup>	Nil	500,000 unlisted options exercisable at \$0.211 expiring 26 May 2026 and 500,000 unlisted options exercisable at \$0.248 expiring 26 May 2027 <sup>1</sup>	Nil
Mr Stan Maccdonald <sup>3</sup>	Nil	4,000,000 unlisted options exercisable at \$0.39 expiring 7 February 2025 <sup>2</sup>	Nil

1. Shareholder approval obtained at a general meeting held on 17 May 2024.

2. Shareholder approval obtained at an annual general meeting held on 28 November 2022.

## 12.3 Board Recommendation

A voting exclusion applies to the resolution, as set out earlier in the Notice of Meeting. Given the interest of the non-executive Directors in this resolution, the Board makes no recommendations regarding this Resolution.

## GLOSSARY

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

<b>\$</b>	an Australian dollar
<b>Additional 10% Placement Facility</b>	has the meaning given to that term in section 4.1 of the Explanatory Statement
<b>Additional 10% Placement Period</b>	has the meaning given to that term in section 4.3 of the Explanatory Statement
<b>2024 Annual Report</b>	The Company's annual report dated 24 September 2024.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>Associate</b>	has the meaning given to that term in the Listing Rules.
<b>ASX</b>	ASX Limited.
<b>Board</b>	board of Directors.
<b>Chair</b>	chairperson of the Annual General Meeting.
<b>Closely Related Party</b>	of a member of the Key Management Personnel means: <ul style="list-style-type: none"> <li>(a) a spouse or child of the member;</li> <li>(b) a child of the member's spouse;</li> <li>(c) a dependent of the member or the member's spouse;</li> <li>(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;</li> <li>(e) a company the member controls; or</li> <li>(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act</li> </ul>
<b>Company or Zenith</b>	Zenith Minerals Limited ACN 119 397 938.
<b>Company Secretary</b>	the company secretary of the Company.
<b>Constitution</b>	the constitution of the Company adopted on 17 May 2023.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	director of the Company.
<b>Director Placement Shares</b>	has the meaning given in section 9 of the Explanatory Statement.
<b>Directors' Report</b>	the annual directors' report of the Company.
<b>Equity Securities</b>	has the meaning given to that term in the Listing Rules.
<b>Explanatory Statement</b>	the explanatory statement that accompanies this Notice of Annual General Meeting.
<b>Key Management Personnel</b>	key management personnel of the Company (as defined in section 9 of the Corporations Act).
<b>Listing Rules</b>	listing rules of the ASX.
<b>Meeting or Annual General Meeting</b>	the annual general meeting convened by this Notice of Annual General Meeting.
<b>New Plan</b>	means the new "Long-term Incentive Plan" ( <b>LTIP</b> or <b>Long-term Incentive Plan</b> ), the subject of Resolution 6.
<b>Notice or Notice of Annual General Meeting or Notice of Meeting</b>	this notice of Annual General Meeting.
<b>Option</b>	an option to subscribe for a Share.
<b>Performance Option</b>	an option to subscribe for a Share
<b>Placement</b>	means the Placement announced by the Company on 9 October 2024.
<b>Placement Shares</b>	has the meaning given in section 9 of the Explanatory Statement.

<b>Performance Rights</b>	has the meaning given in section 5.1 of the Explanatory Statement.
<b>Placement Shares</b>	has the meaning given in section 9 of the Explanatory Statement.
<b>Previous Meeting</b>	has the meaning given in section 1.1 of the Explanatory Statement.
<b>Proxy Form</b>	the proxy form enclosed with this Notice of Annual General Meeting.
<b>Remuneration Report</b>	the Company's remuneration report for the year ended 30 June 2024.
<b>Resolution</b>	Resolution contained in this Notice of Annual General Meeting.
<b>Schedule</b>	Schedule to this Notice of Annual General Meeting.
<b>Second AGM</b>	has the meaning given in section 1.2 of the Explanatory Statement.
<b>Section</b>	means a section of this Notice of Annual General Meeting.
<b>Share</b>	fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	holder of a Share in the Company.
<b>Spill Meeting</b>	has the meaning given in Section 1 of this Notice of Annual General Meeting.
<b>Spill Resolution</b>	has the meaning given in Section 1 of this Notice of Annual General Meeting.
<b>VWAP</b>	volume weighted average price.
<b>WST</b>	Australian Western Standard Time.

## **SCHEDULE 1 – SUMMARY OF MATERIAL TERMS OF THE NEW PLAN**

The Directors are proposing to adopt the New Plan, to enable eligible persons to be granted Options, Performance Rights and Shares (**Awards**), the principal terms of which are summarised below:

### **1. Eligibility**

The Board may, in its absolute discretion, invite an “Eligible Person” to participate in the New Plan. An “Eligible Person” 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 and has been determined by the Board to be eligible to participate in the New Plan from time to time.

### **2. Offer**

Following determination that an Eligible Person may participate in the New Plan; the Board may make an offer to that person by an offer letter setting out the terms of the offer and any Conditions which may apply to the offer or the Awards (**Offer Letter**).

### **3. Issue Cap**

Unless the Company is unlisted or the Company constitution provides otherwise, the Company must not make an offer of Awards for monetary consideration under the New Plan, where the total number of Shares to be issued under the New Plan (**New Plan Shares**) (or that will be issued upon conversion of convertible securities to be issued), when aggregated with the number of New Plan Shares that may be issued as a result of offers made under the New Plan, at any time during the previous 3 year period, would exceed 5% of the total number of Shares on issue at the date of the offer.

The New Plan does not contain an issue cap on the number of Awards that may be issued for no monetary consideration, however the Board have decided to impose a cap of 38,168,088 Awards where no consideration is payable. This does not include the issue of Awards that are otherwise approved by Shareholders.

### **4. Disclosure**

All offers of Awards under the New Plan for no monetary consideration are made pursuant to Division 1A of Part 7.12 of the Corporations Act and accordingly the Company will not issue a disclosure document for such an offer.

If the Company makes an offer to issue Awards under the New Plan for monetary consideration, the Company will comply with the disclosure requirements in Division 1A of Part 7.12 of the Corporations Act.

### **5. Nature of Awards**

Each Option or Performance Right entitles the holder, to subscribe for, or be transferred, one Share. Any Shares acquired as an Award or pursuant to the exercise of an Award will rank equally with all existing Shares from the date of acquisition.

### **6. Vesting**

Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Persons. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:

- (i) all or a percentage of unvested Options will vest and become exercisable;
- (ii) all or a percentage of Performance Rights will be automatically exercised; and
- (iii) any Shares issued or transferred to a holder under the New Plan that have restrictions (on their disposal, the granting of any security interests in or over, or otherwise on dealing with), will be free from any restrictions on disposal.

### **7. Exercise Period**

The period during which a vested Award may be exercised will commence when all Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the rules of the New Plan and the

Company has issued a vesting notification to the holder, and ends on the Expiry Date (as defined at 10(iv) below).

## 8. Disposal restrictions

Awards granted under the New Plan may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a holder, other than to a nominated party (such as an immediate family member, trustee of a trust or company) in accordance with the New Plan, unless:

- (i) the prior consent of the Board is obtained; or
- (ii) such assignment or transfer occurs by force of law upon the death of a holder to the holder's legal personal representative.

## 9. Cashless exercise

Optionholders may, at their election, elect to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise of the Option (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the Optionholder will receive Shares to the value of the surplus after the exercise price has been set off.

If an Optionholder elects to use the Cashless Exercise Facility, the Optionholder will only be issued that number of Shares (rounded down to the nearest whole number) as are equal to the value of the difference between the exercise price otherwise payable for the Options and the then market value of the Shares at the time of exercise (determined as the volume weighted average price on the ASX over the five trading days prior to providing a notice of exercise).

## 10. Lapse

Unvested Awards will generally lapse on the earlier of:

- (i) the cessation of employment, engagement or office of the holder;
- (ii) the day the Board makes a determination that all unvested Awards and vested Options of the holder will lapse because, in the opinion of the Board the holder has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
- (iii) if any applicable Conditions are not achieved by the relevant time;
- (iv) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date of an Award or any other date determined by the Board and as specified in the Offer (**Expiry Date**); or
- (v) the Expiry Date.

Where a holder of Awards ceases to be employed or engaged by the Company and is not a "Bad Leaver" (as that term is defined in the New Plan), and the Awards have vested, they will remain exercisable until the Awards lapse in accordance with the New Plan rules or if they have not vested, the Board will determine as soon as reasonably practicable after the date the holder ceases to be employed or engaged, how many (if any) of those holder's Awards will be deemed to have vested and exercisable.

Where a holder becomes a "Bad Leaver" (as that term is defined in the New Plan), all Awards, unvested or vested, will lapse on the date of the cessation of employment, engagement or office of that holder.

## **SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE OPTIONS**

The Performance Options will be issued pursuant to the New Plan on the following terms and conditions:

- (a) **(Entitlement)** Each Performance Option entitles the Optionholder to subscribe for one Share upon the payment of the Exercise Price.
- (b) The Performance Options are subject to the following terms:

Director	Number of Performance Options	Expiry Date	Exercise Price	Vesting milestone
Andrew Smith	1,250,000	A three-year term – expiring 31 July 2027	\$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024)	Vest upon the Company's share price achieving a 20-day VWAP equal to or above \$0.15
	1,250,000	A three-year term – expiring 31 July 2027	\$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024)	Vest upon the Company's share price achieving a 20-day VWAP equal to or above \$0.25
	1,250,000	A three-year term – expiring 31 July 2027	\$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024)	Vest upon announcement to ASX of a new JORC 2012 Mineral Resource being discovered or acquired by the Company equalling or exceeding 20Mt @ >1% Li <sub>2</sub> O (200k tonne Li <sub>2</sub> O equivalent), 500k oz Au, 10,000t nickel, 100,000t copper or a mineral deposit of another metal or mineral that has an Australian dollar value equal to 500k oz Au (at the time of announcement) – whilst meeting the JORC Code criteria for reasonable prospects of extraction.
	1,250,000	A three-year term – expiring 31 July 2027	\$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024)	Vest upon announcement to ASX of the completion of a pre-feasibility study or any study of a higher degree of certainty, on any of the Company's projects.
Andrew Grove	500,000	A three-year term – expiring 15 December 2026	\$0.21 (being the price that is 45% above the 5-day VWAP preceding 14 December 2023)	Vest upon: <ul style="list-style-type: none"> <li>(i) the Company's share price achieving a 20-day VWAP equal to or greater than \$0.30; and</li> <li>(ii) there being sufficient ongoing funding to ensure the Company is a going concern whilst also maintaining statutory compliance.</li> </ul>
	500,000	A three-year term – expiring 15 December 2027	\$0.25 (being the price that is 75% above the 5-day VWAP preceding 15 December 2027)	Vest upon: <ul style="list-style-type: none"> <li>(i) the Company's share price achieving a 20-day VWAP equal to or greater than</li> </ul>



Director	Number of Performance Options	Expiry Date	Exercise Price	Vesting milestone
			14 December 2023)	\$0.30; and (ii) there being sufficient ongoing funding to ensure the Company is a going concern whilst also maintaining statutory compliance.

- (c) **(Transferability)** Subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws:
- (i) the Performance Options are not transferable within 12 months of their date of issue unless the transferee is a 'sophisticated investor' within the meaning of section 708(8) of the Corporations Act or a 'professional investor' within the meaning of section 708(11) of the Corporations Act and in each case who does not require disclosure for the sale offer of the Options; and
  - (ii) the Performance Options shall be freely transferable from the date that is 12 months after their date of issue until their exercise or expiry.
- (d) **(Quotation)** The Performance Options will not be quoted and the Company will not be applying for quotation of the Options.
- (e) **(Exercise)** A Performance Option that has vested in accordance with the Vesting milestone attaching to that Performance Option may be exercised by the Optionholder at any time after Completion but before the Expiry Date by:
- (i) lodging with the Company a written notice of exercise of Performance Options specifying the number of Performance Options being exercised (**Exercise Notice**); and
  - (ii) paying the funds for the aggregate Exercise Price for the number of Performance Options being exercised.
- (f) **(Exercise Notice)** An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of payment of the Exercise Price for each Performance Option being exercised in cleared funds (**Exercise Date**). The Performance Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, at least 10,000 Performance Options must be exercised on each occasion.
- (g) **(Issue of Shares on exercise)** Within 5 business days after the later of the following:
- (i) receipt of an Exercise Notice;
  - (ii) when any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act ceases to be 'excluded information'; and
  - (iii) any necessary shareholder approvals for the issue of the Shares on exercise of the Options is obtained (if required),
- the Company will:
- (iv) allot the applicable Shares to the Performance Optionholder;
  - (v) if the Company is admitted to the official list of the ASX at the time, apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Performance Options; and
  - (vi) give to ASX a notice (known as a 'cleansing notice') under section 708A(5)(e) of the Corporations Act confirming that the Company is not withholding any 'excluded information' for the purposes of section 708A(6)(e) of the Corporations Act.
- (h) **(Ranking of Shares)** All Shares allotted upon exercise of Performance Options will upon allotment rank, from the date of allotment, pari passu in all respects with other issued fully paid Shares.
- (i) **(Participation Rights)** There are no participation rights or entitlements inherent in the Options and holders of the Performance Options will not be entitled to participate in:
- (i) any issue of securities by the Company; or
  - (ii) any dividend declared or paid by the Company.

- (j) **(Reorganisation)** In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Performance Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (k) **(Lapse)** Unless exercised prior, the Performance Options will lapse on the Expiry Date or, if earlier, upon the liquidation or dissolution of the Company.

Your proxy voting instruction must be received by **09.30am (AWST) on Wednesday, 27 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:

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