



22 November 2024

Dear Shareholder,

General Meeting - Notice and Proxy Form

A General Meeting (**Meeting**) of Shareholders of BMG Resources Limited (ACN 107 118 678) (**Company**) will be held at the Offices of DW Corporate Pty Ltd, Linq House, First Floor, 17 Ord Street, West Perth, Perth WA at 10.00am (WST) on Monday, 23 December 2024.

The notice of meeting and explanatory memorandum were released to ASX today (together, **Notice of Meeting**), and a copy of the Notice of meeting can be accessed online at:

<https://www.asx.com.au/asx/share-price-research/company/BMG>.

In reliance on Part 1.2AA of the Corporations Act, the Company will not be posting hard copies of the Notice of Meeting to Shareholders, unless they have previously given the company notice in writing electing to receive notices of meetings in hard copy only.

For shareholders who elected to receive notices by email, a copy of their proxy form was sent to their nominated email address. As you have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience.

Shareholders who cannot attend the meeting in person may register votes by lodging proxy instructions by no later than 48 hours prior to the Meeting (by 10:00am (WST) on 21 December 2024) either by voting online at: <https://investor.automic.com.au/#/loginsah>, or lodging a proxy form by:

- post to: Automic, GPO Box 5193, Sydney, NSW, 2001; or
- in person to: Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000; or
- by fax: 02 8583 3040 (within Australia) or +61 2 8583 3040 (outside Australia); or
- by email to: meetings@automicgroup.com.au

Your proxy voting instruction must be received not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.



Shareholders may also lodge questions in advance of the Meeting by emailing the questions to Sean Meakin, Company Secretary at smeakin@tribis.com.au, by no later than Monday, 16 December 2024.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting, please contact the Company's share registry, Automic Registry Services on, 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

Yours sincerely

A handwritten signature in black ink, appearing to be 'Sm', written over a light grey circular watermark.

Sean Meakin
Company Secretary



BMG Resources Limited

ACN 107 118 678

Notice of General Meeting, Explanatory Statement and Proxy Form

General Meeting to be held as a physical meeting at

**the Offices of DW Corporate Pty Ltd, LinQ House, First Floor, 17
Ord Street, West Perth
Perth Western Australia 6005**

On Monday, 23 December 2024 at 10:00am (WST)

IMPORTANT NOTE

The Notice of General Meeting and Explanatory Statement should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

Important Information

Contents

Item	Page
Notice of General Meeting	2
Voting Prohibitions and Exclusions	3
Proxy Appointment, Voting and Meeting Instructions	4
Explanatory Statement	6
Glossary	14
Schedule 1 – Terms of Lead Manager Options	16
Proxy Form	Attached

Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	10.00am (WST) on Saturday, 21 December 2024
Snapshot date for eligibility to vote	5.00pm (WST) on Saturday, 21 December 2024
General Meeting	10.00am (WST) on Monday, 23 December 2024

Defined terms

Capitalised terms used in this Notice of General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

Voting

In compliance with ASX guidelines, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the General Meeting. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this Notice of Meeting in accordance with the instructions set out on that form by no later than 10.00am WST on 21 December 2024.

Notice of General Meeting

Notice is hereby given that a General Meeting of BMG Resources Limited (ACN 107 118 678) (**BMG or Company**) will be held as a physical meeting at the **Offices of DW Corporate Pty Ltd, LinQ House, First Floor, 17 Ord Street, West Perth, Perth, Western Australia at 10.00am (WST) on Monday, 23 December 2024.**

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary as set out in the Explanatory Statement.

AGENDA

To consider, and if thought fit to pass, the resolutions set out below as ordinary resolutions.

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares to Placement Participants 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 purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company of 61,000,000 Tranche 1 Placement Shares to the Placement Participants on 13 November 2024 at an issue price of \$0.01 each, made under the Company’s Listing Rule 7.1 placement capacity, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolution 2 – Approval to issue Tranche 2 Placement Shares to Non-Related Party investors

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

“That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue by the Company of a total of 76,000,000 Shares at an issue price of \$0.01 each to the Placement Participants who are not Related Parties of the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolution 3 – Approval to issue Lead Manager Options

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue by the Company of 5,000,000 Lead Manager Options, each exercisable at \$0.020 on or before 31 December 2027, to the Lead Manager and/or its nominee(s), as a fee for arranging and managing the Placement, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibitions and Exclusions

ASX voting exclusion statements

Resolution	Excluded Parties
Resolution 1	<p>For the purposes of Listing Rules 7.5.8 and 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved, or an 'associate' (as defined in the Listing Rules) of such persons.</p> <p>In relation to Resolution 1, this includes Placement Participants, being persons who participated in the Placement.</p>
Resolutions 2 and 3	<p>For the purposes of Listing Rules 7.3.9 and 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity).</p> <p>In relation to:</p> <ul style="list-style-type: none">• Resolution 2, this includes Placement Participants, being persons who participated or will participate in the Placement; and• Resolution 3, this includes GBA Capital Pty Ltd and any nominee of the Lead Manager (GBA Capital Pty Ltd).

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

1. the person as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with directions given to the proxy or attorney to vote on a Resolution in that way; or
2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with a direction given to the chair to vote on a Resolution as the chair decides; or
3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:
 - (a) 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 a Resolution; and
 - (b) the holder votes on a Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

By order of the Board



Sean Meakin

Company Secretary
22 November 2024

Proxy Appointment, Voting and Meeting Instructions

Lodgement of a Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **10:00am (WST) on Saturday, 21 December 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid. Proxy Forms may be lodged as follows:

- Online:* Refer to instructions on Proxy Voting Form
- By hand:* Automic Pty Ltd – Level 5, 126 Phillip Street, Sydney, NSW, 2000
- By post:* Automic Pty Ltd – GPO BOX 5193, Sydney, NSW, 2001
- By email:* meetings@automicgroup.com.au
- By fax:* +61 2 8583 3040

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Chairman as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairman, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning Automic Pty Ltd on 1300 288 664 (from within Australia) or +61 2 9698 5414 (if overseas).

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Automic Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting.

Certificates of Appointment of Corporate Representatives are available on request by contacting Automic Pty Ltd on 1300 288 664 (from within Australia) or +61 2 9698 5414 if overseas).

Votes on Resolutions

Voting on all Resolutions will be conducted poll.

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

Chairman voting undirected proxies

At the date of this Notice, the Chairman intends to vote all undirected proxies FOR each of the Resolutions. In exceptional cases the Chairman's intentions may change subsequently and in this event, the Company will make an announcement to the market.

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5:00pm (WST) on Saturday, 21 December 2024**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Questions from Shareholders

At the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

In addition to asking questions at the Meeting, written questions to the Board about the management of the Company may be submitted by no later than 5.00pm (WST) on Monday, 16 December 2024 in the same manner as outlined above for lodgement of Proxy Forms.

Copies of written questions will be available at the Meeting.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting.

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

This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

1. Background to Resolutions

1.1 Placement

On 4 November 2024, the Company announced that it had received commitments to raise \$1,500,000 (before costs) by issue of 150,000,000 ordinary shares in the Company (**Placement Shares**), at an issue price of \$0.01 per Placement Share, to various institutional and sophisticated investors (**Placement Participants**) (the **Placement**).

The Placement is to be conducted in two tranches as follows:

- (a) **Tranche 1 Placement:** the placement and issue of 74,000,000 Shares issued on 13 November 2024 to various professional and sophisticated investors, being at an issue price of \$0.01 each, raising \$740,000 (before costs) (**Tranche 1 Placement Shares**). The issue of the Tranche 1 Placement Shares itself comprised:
 - (i) 61,000,000 Tranche 1 Placement Shares issued using the Company's placement capacity under Listing Rule 7.1; and
 - (ii) 13,000,000 Tranche 1 Placement Shares issued using the Company's additional issuance capacity under Listing Rule 7.1A.
- (b) **Tranche 2 Placement:** the proposed issue of 76,000,000 Shares to be issued on or about 23 December 2024 each being at an issue price of \$0.01, raising approximately \$760,000 (before costs) (**Tranche 2 Placement Shares**).

Resolution 1 seeks ratification and approval by Shareholders of the prior issue of the 61,000,000 Tranche 1 Placement Shares under the Company's Listing Rule 7.1 placement capacity. For the avoidance of doubt, the Company is not seeking Shareholder approval for the prior issue of the 13,000,000 Tranche 1 Placement Shares issued using the Company's additional issuance capacity under Listing Rule 7.1A.

Resolution 2 seeks Shareholder approval for the issue of the Tranche 2 Placement Shares.

GBA Capital Pty Ltd (the **Lead Manager**) acted as lead manager to the Placement. Resolution 3 seeks Shareholder approval for the issue of Options to the Lead Manager in part-consideration for their services relating to the Placement, as further described in Section 4 below.

1.2 Use of funds raised under the Placement

The proceeds from the raising will be used to build on the drilling and resource activities at the Company's Abercromby Gold Project, fund corporate costs and for general working capital requirements, broadly as follows:

Expense	Funds
Drilling Costs	\$1,100,000
Metallurgical study work	\$110,000

Expense	Funds
Costs of Placement (Lead Manager's fees)	\$90,000
General working capital	\$200,000
TOTAL	\$1,500,000

2. Resolution 1 – Ratification of issue of Tranche 1 Placement Shares to Placement Participants

2.1 Background

As described in Section 1.1 above, the Company has issued a total of 74,000,000 Tranche 1 Placement Shares under the Placement to professional and sophisticated investors using its issuing capacity under Listing Rules 7.1 (61,000,000) and 7.1A (13,000,000).

The Company confirms that the issue of the Placement Shares to Tranche 1 Placement Participants did not breach Listing Rule 7.1 at the time of the issue.

None of the Tranche 1 Placement Participants are Related Parties of the Company.

2.2 Listing Rule requirements

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

The issue of the Placement Shares does not fall within any of exceptions to Listing Rule 7.1 and, as it has not yet been approved by the Company's 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 from the issue date of the Placement Shares.

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

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

2.3 Resolution

Resolution 1 is an ordinary resolution seeking approval by Shareholders of the ratification of the prior issue of the 61,000,000 Tranche 1 Placement Shares which were issued using the Company's Listing Rule 7.1 capacity, for the purposes of Listing Rule 7.4.

For the avoidance of doubt, the Company is not seeking Shareholder approval for the issue of the 13,000,000 Tranche 1 Placement Shares which were issued using the Company's Listing Rule 7.1A additional placement capacity.

2.4 Information required by Listing Rule 14.1A

If Resolution 1 is passed, the issue of 61,000,000 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 1 is not passed, the issue of 61,000,000 Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

2.5 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 1:

(a) **Names of persons to whom securities were issued or the basis upon which those persons were identified**

Placement Shares were issued to Tranche 1 Placement Participants, being various professional and sophisticated investors identified by the Company and the Lead Manager.

Each Tranche 1 Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10) or (11) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

None of the Tranche 1 Placement Participants are Related Parties, key management personnel or advisers of the Company or substantial holders of Shares (i.e. no other Placement Participant has a relevant interest in Shares of 5% or more of the total Shares on issue), or associates of any such persons.

None of the Placement Participants who were issued or will be issued more than 6,837,972 Shares under the Placement (being 1% of the total number of Shares on issue prior to the Placement) is:

- (i) a Related Party of the Company;
- (ii) a member of key management personnel;
- (iii) a substantial Shareholder in the Company;
- (iv) an advisor of the Company; or
- (v) an associate of any of the above.

(b) **The number and class of securities issued**

Under the Tranche 1 Placement, the Company issued 74,000,000 Shares.

61,000,000 Shares were issued within the Company's 15% placement capacity under Listing Rule 7.1 (the subject of Resolution 1).

13,000,000 Shares were also issued within the Company's additional 10% placement capacity under Listing Rule 7.1A. The Company is not seeking Shareholder ratification in relation to the issue of those Shares.

All Tranche 1 Placement Shares were fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

(c) **The date on which the securities were issued**

The Tranche 1 Placement Shares were issued by the Company on 13 November 2024.

(d) **The price at which the securities were issued**

The Tranche 1 Placement Shares were issued at \$0.01 each to raise \$740,000 (before costs).

(e) **The purpose of the issue, including use or intended use of the funds raised**

The purpose of the Placement is to raise capital. The Company intends to use the funds from the issue of the Placement Shares for the purposes described in Section 1.2.

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

The Tranche 1 Placement Shares were issued under commitments provided to the Lead Manager which provided for:

- (i) each Placement Participant's agreement to subscribe for the Placement Shares at \$0.01 per Share;
- (ii) payment of the issue price of the Tranche 1 Placement Shares to the Company before the Tranche 1 Placement Shares were issued; and
- (iii) the Company's agreement to issue the Tranche 1 Placement Shares following receipt of the issue price.

(g) **Voting exclusion statement**

A voting exclusion for Resolution 1 is included in the Notice preceding this Explanatory Statement.

2.6 **Directors' recommendation – Resolution 1**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1 as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of equity securities, if and as required.

3. **Resolution 2 – Approval to issue Tranche 2 Placement Shares to non-Related Party investors**

3.1 **Background**

As described in Section 1.1 above, the Company proposes to place up to 76,000,000 Placement Shares to professional and sophisticated investors who are not Related Parties of the Company under the Tranche 2 Placement.

3.2 **Listing Rule requirements**

As discussed in Section 2.2 above, broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of Tranche 2 Placement Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of the Company's Shareholders under Listing Rule 7.1.

3.3 **Resolution**

Resolution 2 is an ordinary resolution seeking approval by Shareholders for the proposed issue of 76,000,000 Tranche 2 Placement Shares.

3.4 **Information required by Listing Rule 14.1A**

If Resolution 2 is passed, the Company will be able to proceed with the issue of Tranche 2 Placement Shares to persons who are not Related Parties of the Company, and raise up to \$760,000 (before costs) in capital. In addition, the issue will be excluded from the calculation of

the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of Tranche 2 Placement Shares and consequently, the Company will not raise \$760,000 in capital.

3.5 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 2:

(a) **Names of persons being issued securities and basis on which they were identified**

Tranche 2 Placement Shares are proposed to be issued to Placement Participants, being various professional and sophisticated investors identified by the Company and the Lead Manager.

None of the Placement Participants who were issued or will be issued more than 6,837,972 Shares under the Placement (being 1% of the total number of Shares on issue prior to the Placement) is:

- (i) a Related Party of the Company;
- (ii) a member of key management personnel;
- (iii) a substantial Shareholder in the Company;
- (iv) an advisor of the Company; or
- (v) an associate of any of the above.

(b) **Number and class of securities proposed to be issued**

The Company intends to issue up to 76,000,000 Tranche 2 Placement Shares, being fully paid ordinary Shares in the Company which will rank equally with all other Shares on issue.

(c) **Date on which the securities will be issued**

The Tranche 2 Placement Shares will be issued as soon as possible after the Meeting, and in any event no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver of modification of the Listing Rules).

(d) **Price or other consideration the Company will receive for the securities**

The Tranche 2 Placement Shares will be issued at a price of \$0.01 per Share, raising a total of \$760,000 (before costs).

(e) **Purpose of the issue and intended use of any funds**

The purpose of the Placement is to raise capital. The Company intends to use the funds from the issue of the Placement Shares for the purposes described in Section 1.2.

(f) **Summary of material terms of any agreement under which the securities are proposed to be issued**

The proposed issue of the Tranche 2 Placement Shares are facilitated by commitments provided to the Lead Manager, which provided for each Placement Participant's agreement to subscribe for the Placement Shares at \$0.01 per Share, if the Tranche 2 Placement is approved by Shareholders.

(g) **Voting exclusion statement**

A voting exclusion statement for Resolution 2 is included in the Notice preceding this Explanatory Statement.

3.6 **Directors' recommendations**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2 as it will enable the Company to raise capital.

4. Resolution 3 – Approval to issue Lead Manager Options

4.1 **Background**

GBA Capital Pty Ltd (the **Lead Manager**) acted as lead manager to the Placement described in Section 1.1, through which the Company placed, or proposes to place, 148,500,000 Shares to investors introduced by the Lead Manager, and 1,500,000 Shares to investors approached by the Company directly.

The Company and the Lead Manager entered into an agreement (**Mandate Agreement**) for the engagement of the Lead Manager pursuant to which the Lead Manager agreed to act as lead manager, broker and bookrunner to the offer of Shares under the Placement.

Pursuant to the terms of the Mandate Agreement, the Lead Manager was engaged on an exclusive basis to provide the following services to the Company in respect of the Placement:

- (a) lead managing the Placement (including overall project management and development and management of the Placement timetable in conjunction with the Company);
- (b) advising on the timing and structuring of the Placement in conjunction with the Company's legal and other professional advisers;
- (c) completing the book build process (in conjunction with the Company and other advisers, as applicable);
- (d) managing the allocation process in direct consultation with the Company;
- (e) assisting in the drafting by the Company and its other advisors of the disclosure document and any other marketing documentation required in connection with the Placement;
- (f) coordinating settlement processes between the Lead Managers and the Company, and subscribers to the Placement; and
- (g) assisting with the communications strategy in relation to the Placement.

For performing these services, the Lead Manager will be paid a capital raising fee representing 2% of the total funds raised from the Placement, plus 4% of the funds raised from investors introduced by the Lead Manager specifically, totaling \$89,400

Under the Mandate Agreement, the Company has also agreed to issue the Lead Manager (or its nominee) 5,000,000 Options with an exercise price of \$0.02 per Option and an expiry date of 31 December 2027 (**Lead Manager Options**).

Resolution 3 is an ordinary resolution and seeks approval from Shareholders for the issue of 5,000,000 Lead Manager Options to the Lead Manager as part of the fees payable to the Lead Manager under the Mandate Agreement.

4.2 Listing Rule requirements

An overview of Listing Rule 7.1 is set out in Section 2.2. The proposed issue of the Lead Manager Options does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of Shareholders under Listing Rule 7.1.

4.3 Resolution

Resolution 3 seeks the required Shareholder approval for the issue of the Lead Manager Options under and for the purposes of Listing Rule 7.1

4.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Lead Manager Options, increasing the total number of Options on issue. In addition, the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Lead Manager and the Company may be required to pay the Lead Manager a cash payment in lieu of the Lead Manager Options.

4.5 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 3:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Lead Manager Options are proposed to be issued to GBA Capital Pty Ltd and its nominees. GBA Capital Pty Ltd is not a Related Party of the Company.

(b) **The number and class of securities proposed to be issued.**

The Company proposes to issue 5,000,000 Lead Manager Options, being options to subscribe for Shares.

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

The Lead Manager Options have an exercise price of \$0.02 each and expire on 31 December 2027, and otherwise have the terms set out in Schedule 1.

(d) **The date on which the securities will be issued**

The Lead Manager Options will be issued as soon as possible after the Meeting and in any event on one date no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(e) **The price or consideration the entity has received or will receive for the issue**

The Lead Manager will be issued for nil cash consideration in consideration for services performed under the Mandate Agreement, as further described in Section 4.1 above.

(f) **The purpose of the issue, including use or intended use of the funds raised**

The Lead Manager Options are being issued in part-payment of fees payable for services in respect of the Placement. No funds will be raised from the issue of the Lead Manager Options.

If all the Lead Manager Options are exercised prior to expiry, the Company will raise up to \$100,000 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for working capital purposes as required at that time.

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

The Lead Manager Options were agreed to be issued under the Mandate Agreement, the material terms of which are described in Section 4.1 above. The Mandate Agreement was otherwise on terms usual for an arrangement of its kind.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolution 3 is included in the Notice preceding this Explanatory Statement.

4.6 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

Glossary

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

ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
A\$ or \$	Australian dollars.
Board	The board of Directors of the Company.
Chairperson	The chair of the General Meeting.
Closely Related Party	Has same meaning given to that term in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Company or BMG	BMG Resources Limited (ACN 107 118 678).
Company Secretary	The company secretary of the Company at the time of the Meeting.
Constitution	The Constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Equity Security	Has the meaning given to that term in Listing Rule 19.12, being: <ul style="list-style-type: none">(a) a share;(b) a unit;(c) a right to a share or unit or option;(d) an option over an issued or unissued security;(e) a convertible security;(f) any security that ASX decides to classify as an equity security;(g) but not a security that ASX decides to classify as a debt security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
General Meeting or Meeting	The general meeting of Shareholders, or any adjournment thereof, convened by this Notice.
Glossary	This glossary of terms.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or

indirectly, including any Director (whether executive or otherwise) of the Company.

Lead Manager	GBA Capital Pty Ltd.
Lead Manager Options	Has the meaning given in Section 4.1, the terms of which are summarised in Schedule 1.
Listing Rules	The listing rules of ASX, as amended from time to time.
Mandate Agreement	Has the meaning given in Section 4.1, being the agreement between the Company and the Lead Manager in relation to the Placement.
Notice or Notice of General Meeting	The notice of General Meeting which accompanies this Explanatory Statement.
Option	An option to subscribe for a Share.
Placement	Has the meaning given in Section 1.1.
Placement Participants	Has the meaning given in Section 1.1, being persons who participated in the Placement.
Placement Shares	Has the meaning given in Section 1.1, being the 150,000,000 Shares issued or proposed to be issued under the Placement.
Proxy Form	The proxy form accompanying this Notice of Meeting.
Related Party	Has the meaning given to that term in section 228 of the Corporations Act.
Resolution	A resolution set out in the Notice.
Securities	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
Section	A section of the Explanatory Statement.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share.
Tranche 1 Placement	Has the meaning given in Section 1.1(a).
Tranche 1 Placement Shares	Has the meaning given in Section 1.1(a), being the 74,000,000 Shares issued under the Tranche 1 Placement.
Tranche 2 Placement	Has the meaning given in Section 1.1(b).
Tranche 2 Placement Shares	Has the meaning given in Section 1.1(b), being the 76,000,000 Shares proposed to be issued under the Tranche 2 Placement.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 1 – Terms of Lead Manager Options

- (a) Each Option entitles the holder (**Option Holder**) to subscribe for one (1) fully paid ordinary share in the Company (**Share**).
- (b) The Option Holder is not required to pay any amount on the grant of an Option.
- (c) The exercise price of the Options is \$0.020 each, payable in full on exercise.
- (d) Each Option may be exercised at any time before 5.00pm (WST) on or before 31 December 2027 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- (e) The Company must give the Option Holder a certificate or holding statement stating:
 - (i) the number of Options issued to the Option Holder;
 - (ii) the exercise price of the Options; and
 - (iii) the date of issue of the Options.
- (f) The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until the expiry date of the Options. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX.
- (g) An instrument of transfer of an Option must be:
 - (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company, at the place where the Company's register of Option holders is kept, together with the certificate (if any) of the Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to those Options, the right of the transferor to transfer those Options and the proper execution of the instrument of transfer.
- (h) The Options will not be quoted on ASX.
- (i) In accordance with the Listing Rules the Company will apply for Official Quotation on ASX of all Shares allotted pursuant to an exercise of Options.
- (j) There will be no participating entitlements inherent in Options to participate in new issues of capital that may be offered to Shareholders during the currency of an Option. Prior to any new pro-rata issue of Equity Securities to Shareholders, holders of Options will be notified by the Company in accordance with the requirements Listing Rule 6.22.2.
- (k) In the event of a bonus issue of Equity Securities, the number of Shares over which the Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
- (l) In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issued capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.
- (m) There is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital (other than a change in accordance with the Listing Rules if there is a bonus issue or a pro rata issue to holders of Shares) during the currency of the Options.

- (n) Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Options held by the Option Holder accompanied by a Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified Options. An exercise of only some of the Options will not affect the rights of the Option Holder to the balance of the Options held.
- (o) Options will be deemed to have been exercised on the date the exercise notice is received by the Company.
- (p) The Company will allot the resultant Shares and deliver the holding statement within 5 business days after the exercise of the Option.
- (q) Shares allotted pursuant to an exercise of Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary shares of the Company.
- (r) These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.



Proxy Voting Form

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

BMG Resources Limited | ABN 96 107 118 678

Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 21 December 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

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

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

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

