
INFINITY LITHIUM CORPORATION LIMITED
ACN 147 413 956
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00am (WST)
DATE: 27 November 2019
PLACE: Unit 9, 448 Roberts Road.
Subiaco, Perth, Western Australia, 6008

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 25 November 2019.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."

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

Voting Prohibition Statement:

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

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

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

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

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR VINCENT LEDOUX PEDAILLES

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

"That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Vincent Ledoux Pedailles, a Director who was appointed as an additional Director on 16 January 2019, retires, and being eligible, is elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR FELIPE BENJUMEA LLORENTE

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

"That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Felipe Benjumea Llorente, a Director who was appointed as an additional Director on 15 October 2019, retires, and being eligible, is elected as a Director."

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR KEVIN TOMLINSON

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

“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Kevin Tomlinson, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

6. RESOLUTION 5 – NON-EXECUTIVE DIRECTOR’S REMUNERATION

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

“That, for the purposes of clause 14.8 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$250,000 per annum to \$400,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement

A person appointed as a 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.

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: 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 as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy

Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

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

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Performance Rights Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a 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.

9. RESOLUTION 8 – ISSUE OF SHARE APPRECIATION RIGHTS TO MR RYAN PARKIN

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 ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 5,000,000 Share Appreciation Rights to Mr Ryan Parkin (or his nominee/s) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a 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.

10. RESOLUTION 9 – ISSUE OF SHARE APPRECIATION RIGHTS TO MR VINCENT LEDOUX PEDAILLES

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 ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 5,000,000 Share Appreciation Rights to Mr Vincent Ledoux Pedailles (or his nominee/s) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a 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.

11. RESOLUTION 10 – ISSUE OF PERFORMANCE RIGHTS TO MR RYAN PARKIN

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue the number of Performance Rights determined in accordance with the formula set out in the Explanatory Statement to Mr Ryan Parkin (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Ryan Parkin (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a 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.

12. RESOLUTION 11 – ISSUE OF PERFORMANCE RIGHTS TO MR VINCENT LEDOUX PEDAILLES

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue the number of Performance Rights determined in accordance with the formula set out in the Explanatory Statement to Mr Vincent Ledoux Pedailles (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Vincent Ledoux Pedailles (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a 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.

13. RESOLUTION 12 – APPOINTMENT OF AUDITOR AT AGM TO FILL VACANCY

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

"That, for the purposes of section 327B of the Corporations Act and for all other purposes, Pitcher Partners having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the later to occur of the close of the Meeting and the date that ASIC consents to the resignation."

Dated: 24 October 2019

By order of the Board

Rob Orr
Company Secretary

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6461 6350.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.infinitylithium.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

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

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

2.2 Voting consequences

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

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

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

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

2.3 Previous voting results

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

3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS – MR VINCENT LEDOUX PEDAILLES AND MR FELIPE BENJUMEA LLORENTE

3.1 General

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.

Pursuant to the Constitution and ASX 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.

3.2 Resolution 2 – Election of Mr Vincent Ledoux Pedailles

Mr Vincent Ledoux Pedailles, having been appointed by other Directors on 16 January 2019 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Mr Ledoux Pedailles has been involved in the lithium industry since 2011, initially with Talison Lithium Limited in Australia. He has held roles monitoring various metals and industrial minerals markets at international metals and minerals research and consulting company Roskill. Mr Ledoux Pedailles is a regular speaker at various industry events across the world presenting at chemical, mining, and energy related conferences. Mr Ledoux Pedailles holds a Business Masters in Risk Management and International Purchasing from ESDS Business School in France.

(b) Independence

If elected the Board does not consider Mr Ledoux Pedailles will be an independent director as he is employed in an executive role by the Company.

3.3 Resolution 3 – Election of Mr Felipe Benjumea Llorente

Mr Felipe Benjumea Llorente, having been appointed by other Directors on 15 October 2019 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Mr Benjumea brings extensive business networks and corporate experience through more than 30 years on the Board of listed Spanish

Company Abengoa, and he has been instrumental in the development of major projects with a presence in more than 60 countries. The San José Lithium Project will benefit from Mr Benjumea's experience in the industrial field of renewable energy, with an extensive successful track record in bringing large scale and globally focussed projects to fruition in innovative and emerging markets. Mr Benjumea is in possession of the Medal of Scientific Merit of the Centre for Energy, Environmental and Technological Research ('CIEMAT') and the Grand Cross of Naval Merit.

(b) **Independence**

If elected the Board considers Mr Benjumea will be an independent director.

3.4 Board recommendation

The Board supports the election of Mr Ledoux Pedailles and Mr Benjumea and recommends that Shareholders vote in favour of Resolutions 2 and 3.

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR KEVIN TOMLINSON

4.1 General

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

Mr Kevin Tomlinson, who has served as a Director since 7 June 2017, and was last re-elected on 23 November 2017, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Tomlinson brings extensive project finance, development and mining experience with previous roles including that of Managing Director at Westwind Partners/Stifel Nicolaus (investment banking) and the Boards of Centamin Plc and Medusa Mining (mining companies).

Mr Tomlinson is currently the Non-Executive Chairman of ASX-listed Cardinal Resources Limited and Bellevue Gold Limited. Mr Tomlinson was a Non-Executive Chairman of Xanadu Mines Limited from 25 May 2017 to 30 April 2019.

4.3 Independence

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

4.4 Board recommendation

The Board supports the election of Mr Kevin Tomlinson and recommends that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – NON-EXECUTIVE DIRECTORS' REMUNERATION

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 14.7 of the Constitution also requires that remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution

and subsequently increase by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$250,000. Resolution 5 seeks Shareholder approval to increase this figure by \$150,000 to \$400,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors 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 the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

In the past 3 years, the Company has issued non-executive Directors an aggregate of 2,000,000 Options with prior Shareholder approval under ASX Listing Rules 10.11 and 10.14.

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$15,023,577 (based on the number of Shares on issue and the closing price of Shares on the ASX on 9 October 2019 and excluding any restricted securities that may be on issue).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: INF).

If Shareholders approve Resolution 6, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

6.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 6.2(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 9 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

		Dilution			
Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.036	\$0.071	\$0.11
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	211,599,676 Shares	21,159,967 Shares	\$751,178	\$1,502,357	\$2,253,536
50% increase	317,399,514 Shares	31,739,951 Shares	\$1,126,768	\$2,253,536	\$3,380,304
100% increase	423,199,352 Shares	42,319,935 Shares	\$1,502,357	\$3,004,715	\$4,507,073

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

The table above uses the following assumptions:

1. There are currently 211,599,676 Shares on as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 9 October 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets, general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

(f) Allocation policy under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

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

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

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

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2018 (**Previous Approval**).

The Company has not issued any Shares or Options pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 27 November 2018, the Company otherwise issued a total of 21,710,572 Shares and 1,500,000 Options which represents approximately 10.17% of the total diluted number of Equity Securities on issue in the Company on 27 November 2018, which was 228,164,104.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

6.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

7. RESOLUTION 7 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

Resolution 7 seeks Shareholder approval for the adoption of the employee incentive scheme titled Incentive Performance Rights Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which

provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue Performance Rights under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Performance Rights have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Performance Rights under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Performance Rights under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 8 and 9 for the issue of Share Appreciation Rights to certain Directors pursuant to the Plan.

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

8. RESOLUTIONS 8 AND 9 – ISSUE OF SHARE APPRECIATION RIGHTS TO DIRECTORS

8.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Plan (refer Resolution 7), to issue a total of 10,000,000 Share Appreciation Rights (**SARs**) to Mr Ryan Parkin and Mr Vincent Ledoux Pedaaillies or (their nominees) (**Related Parties**) pursuant to the Plan and on the terms and conditions set out below.

Resolutions 8 and 9 seek Shareholder approval for the issue of SARs to certain Directors.

8.2 Chapter 2E of the Corporations Act

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

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

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

The grant of the SARs constitutes giving a financial benefit and Mr Ryan Parkin and Mr Vincent Ledoux Pedailles (**Related Parties**) are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Ryan Parkin and Mr Vincent Ledoux Pedailles who have a material personal interest in Resolutions 8 and 9) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of SARs because the agreement to grant the SARs, reached as part of the remuneration package for the Related Parties, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

8.3 Listing Rule 10.14

In addition, ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

It is the view of the Directors that the exceptions set out ASX Listing Rule 10.15B of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of SARs to the Related Parties.

8.4 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the Related Party Options:

- (a) the related parties are Mr Ryan Parkin and Mr Vincent Ledoux Pedailles and they are related parties by virtue of being Directors;
- (b) the maximum number of SARs (being the nature of the financial benefit being provided) to be granted to the Related Parties is 10,000,000 SARs comprising:
 - (i) 5,000,000 SARs to Mr Ryan Parkin (Resolution 8); and
 - (ii) 5,000,000 SARs to Mr Vincent Ledoux Pedailles (Resolution 9);
- (c) the SARs will be granted for nil cash consideration, accordingly no funds will be raised;
- (d) the SARs will be granted subject to the terms and conditions of the Plan, and otherwise on the terms and conditions set out in Schedule 3;
- (e) no SARs have previously been issued under the Plan nor has the Plan previously been adopted by Shareholders;
- (f) any full or part time employee or director of the Company is entitled to participate in the Plan, however, at the current time the Company does not intend to make an offer to any other employees. Accordingly, approval is being sought only for the offer to the Related Parties;
- (g) no loan will be provided to the Related Parties with respect to the SARs; and

- (h) the SARs will be issued to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the SARs will be issued on one date.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the SARs to the Related Parties as approval is being obtained under ASX Listing Rule 10.15. Accordingly, the issue of SARs to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

9. RESOLUTIONS 10 AND 11 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTIES

As announced on 13 September 2019, the Company has revised the performance-based incentives which are offered to Executive Directors following the delivery of a Pre-feasibility for the San José Lithium Project in Spain.

Accordingly, the Company has agreed, subject to obtaining Shareholder approval, to issue Performance Rights to Mr Ryan Parkin and Mr Vincent Ledoux Pedailles (or their nominees) (**Related Parties**) in order to link part of the remuneration payable to the Directors to specific performance milestones.

Resolutions 10 and 11 seek Shareholder approval for the issue of Performance Rights to the Related Parties.

The number of Performance Rights to be issued to each of the Related Parties will be calculated in accordance with the formula set out in the table below.

Class of Performance Rights	Milestone	Related Party	Number of Performance Rights
Tranche A	The Company executing a non-binding offtake agreement with a third party for the purchase from the Company of a minimum of 5,000 tonnes of lithium chemicals including lithium hydroxide or lithium carbonate produced from the San Jose Lithium Project on or before 31 December 2020	Mr Parkin	$\frac{\$100,000}{\text{VWAP}}$ (subject to a minimum of 1,500,000 Tranche A Performance Rights being issued)
		Mr Ledoux Pedailles	$\frac{\$100,000}{\text{VWAP}}$
Tranche B	The Company completing a capital raising of minimum of \$1,000,000 on or before 31 December 2020 from a recognised lithium industry participant or investor	Mr Parkin	$\frac{\$100,000}{\text{VWAP}}$ (subject to a minimum of 1,500,000 Tranche B Performance Rights being issued)
		Mr Ledoux Pedailles	$\frac{\$100,000}{\text{VWAP}}$

Notes

1. VWAP means volume weighted average market price for Shares on the five trading days on which trades occurred immediately prior to date of the Annual General Meeting.

Set out below are worked examples of the aggregate number of Performance Rights that may be issued to Mr Parkin and Mr Ledoux Pedailles based on a VWAP of \$0.04, \$0.06 and \$0.08.

VWAP	Number of Performance Rights Issued to Mr Parkin			Number of Performance Rights Issued to Mr Ledoux Pedailles		
	Tranche A Performance Rights	Tranche B Performance Rights	Total	Tranche A Performance Rights	Tranche B Performance Rights	Total
\$0.04	2,500,000	2,500,000	5,000,000	2,500,000	2,500,000	5,000,000
\$0.06	1,666,667	1,666,667	3,333,334	1,666,667	1,666,667	3,333,334
\$0.08	1,500,000	1,500,000	3,000,000	1,250,000	1,250,000	2,500,000

If Shareholders do not approve the issue of Performance Rights to the Related Parties, each of the Related Parties will be entitled to receive a cash bonus of \$100,000 upon satisfaction of each of the Milestones.

9.1 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 8.2 above.

The grant of Performance Rights constitutes giving a financial benefit and Mr Ryan Parkin and Mr Vincent Ledoux Pedailles are related parties of the Company by virtue of being a Director.

The Directors (other than Mr Ryan Parkin who has a material personal interest in Resolution 10) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Parkin, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Ledoux Pedailles who has a material personal interest in Resolution 11) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Ledoux Pedailles, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Performance Rights involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

9.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 10 and 11:

- (a) the Performance Rights will be granted to Mr Ryan Parkin and Mr Ledoux Pedailles (or his nominee);
- (b) the aggregate number of Performance Rights to be issued to each of the Related Parties will be calculated in accordance with the formula set out in the table below:

Related Party	Performance Rights	Number of Performance Rights
Mr Parkin	Tranche A	$\frac{\$100,000}{\text{VWAP}}$ (subject to a minimum of 1,500,000 Tranche A Performance Rights being issued)
	Tranche B	$\frac{\$100,000}{\text{VWAP}}$ (subject to a minimum of 1,500,000 Tranche B Performance Rights being issued)
Mr Ledoux Pedailles	Tranche A	$\frac{\$100,000}{\text{VWAP}}$
	Tranche B	$\frac{\$100,000}{\text{VWAP}}$

- (c) the Performance Rights will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Performance Rights will occur on the same date;
- (d) the Performance Rights will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the terms and conditions of the Performance Rights are set out in Schedule 4.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Performance Rights as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Performance Rights to Mr Ryan Parkin and Mr Ledoux Pedailles (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

10. RESOLUTION 12 – APPOINTMENT OF AUDITOR AT AGM TO FILL VACANCY

PKF Perth, the Company's current auditor, has given notice of its intention to resign as auditor of the Company to ASIC (under section 329(5) of the Corporations Act).

Upon receipt of ASIC's consent to their resignation, PKF Perth has advised that it will submit a notice of resignation to the Company in accordance with section 329(5) of the Corporations Act, such resignation to take effect from the later to occur of the close of the Meeting and the date that ASIC consents to the resignation.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for Pitcher Partners to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

Pitcher Partners has given its written consent to act as the Company's auditor, subject to ASIC approval, Shareholder approval and the resignation of PKF Perth.

Subject to ASIC's consent to the current auditor's resignation, the Board unanimously recommends that Shareholders vote in favour of this Resolution to appoint Pitcher Partners as the Company's new auditor. If ASIC does not consent to the current auditor's resignation, the current auditor will continue to be the Company's auditor.

If Resolution 12 is passed, the appointment of Pitcher Partners as the Company's auditors will take effect from the later to occur of the close of the Meeting and the date that ASIC consents to the resignation.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 6.1.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Infinity Lithium Corporation Limited (ACN 147 413 956).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

VWAP means volume weighted average market price for Shares on the five trading days on which trades actually occurred, immediately prior to date of the Meeting.

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

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 27 NOVEMBER 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue - 19 December 2018 Appendix 3B – 17 December 2018	282,000	Shares ⁴	Shares and options were issued to Vincent Ledoux Pedailles under a consultancy contract prior to his appointment as Director	No issue price (non-cash consideration)	Consideration = issued in consideration for the provision of consultancy services to the Company Current value ³ (Shares) = \$20,002 Current value ³ (Options) = \$15,000
	500,000	Unquoted Options ⁵			
Issue - 03 July 2019 Appendix 3B – 03 July 2019	20,285,714	Shares ⁴	Placement to professional and sophisticated investors who are clients of Patersons Securities Limited (as announced on 27 June 2019) (Placement)	\$0.07 per Share (being a discount of 9.09%)	Amount raised = \$1,500,000 Amount spent = \$200,000 Use of funds = used to advance the Pre-Feasibility Study for the San José Lithium Project, additional engineering and battery grade product production as part of the Definitive Feasibility Study and general working capital. Amount remaining = \$1,300,000 Proposed use of remaining funds ² : to advance the San José Lithium Project, additional engineering and battery grade product production as part of the Definitive Feasibility Study and general working capital.
Issue – 17 September 2019 Appendix 3B – 17 September 2018	1,142,858	Shares ⁴	Issued to Ryan Parkin and Adrian Byass arising from their participation in the Placement as approved at the Shareholder meeting held on 9 September 2019.	\$0.07 per Share (being a premium of 2.94%)	Amount raised = \$80,000 Amount spent = \$Nil Use of funds = used to advance the Pre-Feasibility Study for the San José Lithium Project, additional

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
					engineering and battery grade product production as part of the
					<p>Definitive Feasibility Study and general working capital.</p> <p>Amount remaining = \$80,000</p> <p>Proposed use of remaining funds²: to advance the San José Lithium Project, additional engineering and battery grade product production as part of the Definitive Feasibility Study and general working capital.</p>
	1,000,000	Unquoted Options ⁶	Options issued to Director, Ryan Parkin as approved at the Shareholder meeting held on 9 September 2019	No issue price (non-cash consideration)	<p>Consideration: Performance based remuneration for services provided to the Company.</p> <p>Current value³ = \$30,000</p>

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
3. In respect of quoted Equity Securities, the value is based on the closing price of the Shares (\$0.071) on the ASX on 9 October 2019. In respect of unquoted Equity Securities, the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market-based performance conditions (i.e. conditions linked to the price of Shares).
4. Fully paid ordinary shares in the capital of the Company, ASX Code: INF (terms are set out in the Constitution)

5. Unquoted Options, exercisable at \$0.12 each, on or before 14 December 2021.
6. Unquoted Options, exercisable at \$0.088 each, on or before 16 September 2022. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 9 September 2019.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The principle terms of the Incentive Performance Rights Plan (**Performance Rights Plan**) are summarised below:

- (a) **Eligibility:** Participants in the Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any Associated Body Corporate of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class Order); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, at its absolute discretion, make a written offer to any Eligible Participant to apply for Performance Rights, upon the terms set out in the Performance Rights Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Performance Rights Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (**Vesting Conditions**).
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) special circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
- (B) a Relevant Person suffering severe financial hardship;
- (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse of a Performance Right:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring;
 - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Performance Right only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Rights granted in respect of that Relevant Person are not exercised within one (1) month (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;

- (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right; and
- (vii) the expiry date of the Performance Rights.
- (h) **Not transferrable:** Subject to the ASX Listing Rules, and except as otherwise provided for by an offer, Performance Rights are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (i) **Shares:** Shares resulting from the vesting of the Performance Rights shall, subject to any Sale Restrictions (refer to paragraph (j)), from the date of issue, rank on equal terms with all other Shares on issue.
- (j) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (k) **Quotation of Shares:** If Shares of the same class as those issued under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Performance Rights on the ASX.
- (l) **No Participation Rights:** There are no participation rights or entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (m) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **Amendments:** Subject to express restrictions set out in the Performance Rights Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Performance Rights Plan, or the terms or conditions of any Performance Rights granted under the Performance Rights Plan including giving any amendment retrospective effect.

SCHEDULE 3 – TERMS OF SHARE APPRECIATION RIGHTS

- (a) **(Issue Price)**: The Share Appreciation Rights will be issued for nil cash consideration.
- (b) **(Vesting)**: The Share Appreciation Rights vest as follows, provided the holder remains employed or engaged by the Company on the vesting date:
 - (i) 50% of Share Appreciation Rights issued to a holder vest on the date that is 12 months from 13 September 2019;
 - (ii) 25% of Share Appreciation Rights issued to a holder vest on the date that is 24 months from 13 September 2019; and
 - (iii) 24% of Share Appreciation Rights issued to a holder vest on the date that is 36 months from 13 September 2019.
- (c) **(Notification to holder)**: The Company shall notify the holder in writing within 10 Business Days of becoming aware that any vesting condition attached to a Share Appreciation Right has been satisfied.
- (d) **(Strike Price)**: The amount payable upon exercise of each Share Appreciation Right is the 20-day VWAP prior to 13 September 2019, being \$0.072.
- (e) **(Expiry Date)**: Each unexercised or unvested Share Appreciation Right shall expire on 13 September 2024.
- (f) **(Exercise on Vesting)**: Subject to the holder remaining employed or engaged by the Company on the vesting date, to exercise a vested Share Appreciation Right, the holder may at any time after the Board notifies that the Share Appreciation Right has vested and before it lapses by:
 - (i) providing the Company with the certificate for the Share Appreciation Rights in accordance with the terms of the Performance Rights Plan; and
 - (ii) providing the Company with a notice in the form of Schedule 3 of the Performance Rights Plan addressed to the Company and signed by the holder stating that the holder exercises the Share Appreciation Rights and specifying the number of Share Appreciation Rights which are exercised, and

the Company, at the Board's absolute discretion and in accordance with paragraph (g), will either

- (i) require the holder to pay the Strike Price per Share Appreciation Right being exercised in Australian currency in cleared funds into a bank account nominated in advance by the Company (or other means of payment acceptable to the Company), and will settle the exercise of those exercised Share Appreciation Rights by issuing Shares; or
- (ii) notify the holder that the Company will settle exercise of the Share Appreciation Rights by way of a cash payment, pursuant to which the Company will settle the exercise of those exercised Share Appreciation Rights by making a cash payment equal to the value of the difference between the Strike Price of the Share Appreciation Rights and the current market value of Shares (**Premium**).

- (g) **(Exercise election):** Subject to paragraph (s), upon exercise of a vested Share Appreciation Right, the holder or their nominee will be entitled to receive, at the absolute discretion of the Board, either:
- (i) issue Shares, on the basis of one Share for each Share Appreciation Right; or
 - (ii) make a cash payment equal to the Premium,
- in accordance with the terms of the Performance Rights Plan.
- (h) **(Eligibility):** A holder of Share Appreciation Rights must remain eligible under the Plan at the time Share Appreciation Rights are granted, exercised and converted into Shares.
- (i) **(Share ranking):** All Shares issued upon the vesting and exercise of Share Appreciation Rights will upon issue rank pari passu in all respects with other Shares.
- (j) **(Nominee):** Upon receipt of an offer in accordance with the terms of the Performance Rights Plan, a holder may, by notice in writing to the Board, nominate a Nominee (as that term is defined in the Performance Rights Plan) in whose favour the holder wishes to renounce the Offer.
- (k) **(Company's obligations):** The Company will:
- (i) issue the Shares or any cash payment to which the holder is entitled as soon as practicable after the exercise of a Share Appreciation Right; and
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (l) **(Application to ASX)** The Share Appreciation Rights will not be quoted on ASX. The Company will apply to ASX for official quotation of a Share issued on exercise of a Share Appreciation Right on ASX, subject to the Company being admitted to the Official List of the ASX at the time of issue of the Share on exercise of a Share Appreciation Right, within 10 Business Days of the later of the date the Shares are issued or the date that any restriction period that applies to the Shares ends.
- (m) **(Transfer of Share Appreciation Rights):** The Share Appreciation Rights are only transferable under special circumstances as set out in the Performance Rights Plan.
- (n) **(Participation in new issues)** A Share Appreciation Right does not entitle a holder (in their capacity as a holder of a Share Appreciation Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (o) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (p) **(Adjustment for bonus issue)** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction

of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Share Appreciation Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

- (q) **(Dividend and Voting Rights):** The Share Appreciation Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (r) **(Change of Control):** In the event of a Change of Control, the Share Appreciation Rights will vest, and the Company will, following exercise by the holder, either issue Shares or a cash payment at its election pursuant to paragraph (g).

For the purpose of this paragraph (r), **Change of Control** means:

- (i) a bona fide Takeover Bid (as that term is defined in the Corporations Act) is declared unconditional and the bidder has acquired a Relevant Interest Bid (as that term is defined in the Corporations Act) in at least 50.1% of the Company's issued Shares;
 - (A) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (B) in any other case, a person obtains Voting Power (as that term is defined in section 9 of the Corporations Act) in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (s) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Share Appreciation Right under paragraph (d) or (m) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Share Appreciation Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Share Appreciation Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Share Appreciation Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share Appreciation Right will not result in any person being in contravention of the General Prohibition;
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (s)(i) 1.1(a)(ii) within seven days if the Company considers that the conversion of a Share Appreciation Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share

Appreciation Right will not result in any person being in contravention of the General Prohibition.

- (t) **(No rights to return of capital)** A Share Appreciation Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (u) **(Rights on winding up)** A Share Appreciation Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (v) **(No other rights)** A Share Appreciation Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (w) **(Subdivision 83AC-C):** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Share Appreciation Right.

SCHEDULE 4 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The key terms of the Performance Rights are as follows:

(a) **Milestones**

The Performance Rights will have the following milestones attached to them:

- (i) **(Tranche A)**: the Company executing a non-binding offtake agreement with a third party for the purchase from the Company of a minimum of 5,000 tonnes of lithium chemicals including lithium hydroxide or lithium carbonate produced from the San Jose Lithium Project; and
- (ii) **(Tranche B)**: the Company completing a capital raising of a minimum of \$1,000,000 from a recognised lithium industry participant or investor,

(each a **Milestone**).

(b) **Notification to holder**

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

(c) **Conversion**

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

(d) **Lapse of a Performance Right**

- (i) If a Milestone is not achieved whilst the holder remains employed or engaged by the Company, then unless the Board decides otherwise in its absolute discretion, the relevant Performance Right will be deemed to have automatically lapsed.
- (ii) Each Performance Right shall otherwise expire on 31 December 2020 (**Expiry Date**). If the relevant Milestone attached to the Performance Right has not been achieved by the Expiry Date, all unconverted Performance Rights of the relevant class will automatically lapse at that time.

(e) **Consideration**

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

(f) **Share ranking**

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

(g) **Application to ASX**

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

(h) **Timing of issue of Shares on Conversion**

Within 10 Business Days after date that the Performance Rights are converted, the Company will:

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

If a notice delivered under 0(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(j) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(k) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(l) **Adjustment for bonus issue**

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

(m) **Dividend and voting rights**

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

(n) **Change in control**

Subject to paragraph (o), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

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

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

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

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

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

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

(q) **Rights on winding up**

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

(r) **No other rights**

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

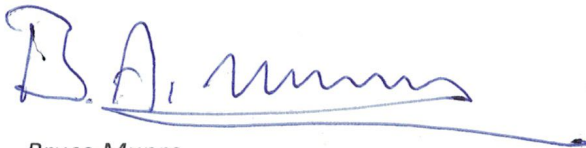
16 October 2019

The Company Secretary
Infinity Lithium Corporation Limited
Level 2
38 Richardson Street
WEST PERTH WA 6005

Dear Mr Orr

For the purposes of Section 328B(1) of the Corporations Act 2001, I, *Wombat Super Investments Pty Ltd* being a member of Infinity Lithium Corporation Limited hereby nominate Pitcher Partners BA&A Pty Ltd as auditor of the company at the Annual General Meeting to be held on 27th November 2019.

Yours sincerely



Bruce Munro

Director

Wombat Super Investments Pty Ltd

THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY