

1 May 2020

NOTICE OF AGM & DIRECTOR NOT STANDING FOR RE-ELECTION

Image Resources NL (ASX: IMA) (“Image” or “the Company”) attaches the following documents in relation to its 2020 annual general meeting to be held at 9.00am (WST) on Friday 29 May 2020:

1. Notice of Annual General Meeting (“AGM”); and
2. Proxy Form.

The Notice of Annual General Meeting and Proxy Form will be mailed to shareholders who receive printed copies of these documents shortly. The 2019 Annual Report has already been sent to shareholders. Copies of the documents have been lodged with ASX and are available on the Company’s website at www.imageres.com.au.

As a result of the potential health risks from the Coronavirus (COVID-19) pandemic and Government restrictions on travel and social gatherings, it is not currently advisable to host shareholders and members of the public in person at the AGM. The Company proposes to webcast the proceedings and for shareholders to be able to listen to the proceedings through the webcast. Instructions on how to join the webcast and submit any questions will be published on the Company’s website in advance of the AGM.

All voting will be conducted on a poll using proxy instructions received in advance of the AGM.

Shareholders are encouraged to appoint the Chair as their proxy and to lodge a directed proxy by 9:00am (WST) on 27 May 2020. Refer to the Notice and to the Proxy Form for instructions on how to submit a proxy.

Shareholders are also invited to submit questions, including questions for the auditor, in advance of the meeting. Questions can be submitted by email to info@imageres.com.au with the subject line “Question(s) for AGM”.

If it becomes necessary to make further changes to the arrangements for the Meeting, the Company will advise Shareholders by making an ASX announcement.

Notice of Director Intention

Image advises that it has received notice from Exploration Director George Sakalidis, who was scheduled to retire by rotation and stand for re-election, of his intention not to seek re-election. Mr Sakalidis will therefore cease to be a director immediately prior to the AGM. Whilst he intends to stand down from his Board duties, **George will remain in his executive role as Head of Exploration.** Additional information will be provided in a separate announcement to the ASX.

Image Resources Background Information

Image Resources is Australia’s newest mineral sands mining company, operating open-cut mining and ore processing facilities at its 100%-owned, high-grade, zircon-rich Boonanarring Mineral Sands Project located 80km north of Perth, in the infrastructure-rich North Perth Basin in Western Australia. Boonanarring is arguably one of the highest heavy mineral grade, zircon-rich, mineral sands projects in Australia. Construction and project commissioning were

completed on-time and on-budget in 2018. Production commenced December 2018 and HMC production ramped-up to exceed name-plate capacity in only the second month of operation (January 2019).

Image completed its inaugural full year of successful operations with performance exceeding targets in all major categories, including significantly higher HMC production and lower operating costs than forecast. CY2019 market guidance was met after it was increased twice during the year.

The Company is focused on maintaining strong operational performance and has prioritised the identification of new Mineral Resources and Ore Reserves, within economic pumping distance of the current wet concentration plant, to extend the mine life at Boonanarring.

This document is authorised for release to the market by:

Patrick Mutz

Managing Director

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www.imageres.com.au

IMAGE RESOURCES NL
ABN 57 063 977 579

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

29 May 2020

Time of Meeting

9:00am (WST)

Place of Meeting

Suite 2004

Level 20

201 Elisabeth Street

SYDNEY NSW 2000

And via webcast

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 accountant, solicitor or other professional adviser prior to voting.

*The **31 December 2019 Annual Report** may be viewed on the Company's website at www.imageres.com.au*

IMAGE RESOURCES NL
ABN 57 063 977 579
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Image Resources NL (**Company**) will be held at Suite 2004, Level 20, 201 Elisabeth Street, Sydney NSW 2000 on 29 May 2020 at 9:00am (WST) (**Meeting**) for the purpose of transacting the business contemplated by the Resolutions and Explanatory Memorandum below.

Special note: As a result of the potential health risks from the Coronavirus (COVID-19) pandemic and Government restrictions on travel and social distancing, it is not currently possible to host shareholders and members of the public in person at the Meeting. Instead, Shareholders and guests are invited to attend via a webcast. Instructions on how to log into the webcast will be published prior to the Meeting on the Company's website (www.imageres.com.au).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Memorandum.

31 DECEMBER 2019 FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements of the Company for the year ended 31 December 2019, consisting of the Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 31 December 2019 Annual Report be and is hereby adopted."

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

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- (b) by a person who is a member of the Key Management Personnel at the date of the Meeting, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 1:

- (a) in accordance with a direction as to how to vote on the proxy; or
- (b) by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION 2 – RE-ELECTION OF AARON SOO AS A DIRECTOR

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

"That, for the purposes of article 73 of the Constitution, Listing Rule 14.4 and for all other purposes, Aaron Chong Veoy Soo, having retired as a Director of the Company in accordance with the Constitution and, being eligible, having offered himself for re-election, is re-elected a Director of the Company."

RESOLUTION 3 – RE-ELECTION OF CHAODIAN CHEN AS A DIRECTOR

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

"That, for the purposes of article 73 of the Constitution, Listing Rule 14.4 and for all other purposes, Chaodian Chen, having retired as a Director of the Company in accordance with the Constitution and, being eligible, having offered himself for re-election, is re-elected a Director of the Company."

RESOLUTION 4 – INCREASE IN MAXIMUM AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

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

"That in accordance with clause 88.1 of the Constitution and Listing Rule 10.17, the maximum aggregate remuneration payable to non-executive Directors be increased by \$200,000 from \$300,000 to \$500,000 per annum."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any Director or an Associate of any Director.

However, the Company need not disregard a vote if it is cast:

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

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 4 by a person who is a member of the Key Management Personnel, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 4:

- (a) in accordance with a direction as to how to vote on the Proxy Form; or
- (b) by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 4 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION 5 – APPROVAL OF EMPLOYEE SHARE PLAN

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

"That, for the purpose of Exception 13 of Listing Rule 7.2 and for all other purposes, approval is given for the Company to administer and issue securities under the Employee Share Plan as an exception to Listing Rule 7.1 and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is eligible to participate in the Employee Share Plan or an Associate of any person who is eligible to participate in the Plan.

However, the Company need not disregard a vote if it is cast:

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

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 5 by a person who is a member of the Key Management Personnel, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 5:

- (a) in accordance with a direction as to how to vote on the Proxy Form; or
- (b) by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 5 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION 6 – APPROVAL OF MAXIMUM GRANT OF SHARES TO EXECUTIVE DIRECTORS MR MUTZ AND/OR MR SAKALIDIS

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

"That, for the purposes of Listing Rule 10.14, and for all other purposes, the Company approves the grant under the Employee Share Plan to Executive Directors Mr Mutz and/or Mr Sakalidis (or their nominees) of an aggregate maximum of up to 1,700,000 Shares on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Mr Mutz or Mr Sakalidis or any of their Associates.

However, the Company need not disregard a vote if it is cast:

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

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 6 by a person who is a member of the Key Management Personnel, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 6:

- (a) in accordance with a direction as to how to vote on the Proxy Form; or
- (b) by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 6 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION 7 – APPROVAL OF NEW CONSTITUTION

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

"That the new Constitution tabled at the Meeting and signed by the Company Secretary for the purposes of identification, be adopted as the Constitution of the Company in place of the current Constitution, with effect from the close of the Meeting."

RESOLUTION 8 – APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS

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

"That with effect from the close of the Meeting, the proportional takeover provisions set out in Annexure C to the Explanatory Memorandum be inserted into the Company's Constitution in force at that time being either:

- (a) *as Schedule 1 of the new Constitution tabled at the Meeting and signed by the Chair for the purposes of identification, if Resolution 7 is passed by the requisite majority; or*
- (b) *in the existing Constitution in place of Schedule 1, if Resolution 7 is not passed by the requisite majority."*

OTHER BUSINESS

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board.



Dennis Wilkins
Company Secretary
Date: 28 April 2020

EXPLANATORY MEMORANDUM

The accompanying Explanatory Memorandum below forms part of this Notice and should be read in conjunction with it.

Shareholders are specifically referred to the glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

AGM ARRANGEMENTS

As a result of the potential health risks from the Coronavirus (COVID-19) pandemic and Government restrictions on travel and social distancing, it is not currently possible to host shareholders and members of the public in person at the Meeting. Instead, Shareholders and guests are invited to attend via a webcast (including being able to ask questions online). Instructions to join the webcast will be published on the Company's website (www.imageres.com.au) and advised by an ASX announcement.

All voting will be conducted on a poll using proxy instructions received in advance of the meeting.

Shareholders are encouraged to appoint the Chair as their proxy and to lodge a directed proxy by 9:00am (WST) on 27 May 2020. Refer below and to the Proxy Form for instructions on how to submit a proxy.

Shareholders are also invited to submit questions, including questions for the auditor, in advance of the meeting. Questions can be submitted by email to info@imageres.com.au.

If it becomes necessary to make further changes to the arrangements for the Meeting, the Company will advise Shareholders by making an ASX announcement.

PROXIES

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a proxy to vote on their behalf. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint one or two proxies and if appointing two may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms. To be valid, properly completed Proxy Forms must be received by the Company's share registry no later than 9:00am (WST) on 27 May 2020 by:

1. post to GPO Box 5193, Sydney NSW 2001;
2. email at meetings@automicgroup.com.au; or
3. online at <https://investor.automic.com.au/#/loginsah>.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the Proxy Form or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

VOTING ENTITLEMENTS

For the purposes of Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 5:00pm (WST) on 26 May 2020. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlements to attend and vote at the Meeting.

CORPORATE REPRESENTATIVE

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

ELECTRONIC COMMUNICATION

All Shareholders may, and are encouraged to, elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

REVOCATION OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

VOTING OF PROXIES

The Proxy Form accompanying this Explanatory Memorandum confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

If the Chair is to act as your proxy (whether by appointment or by default) and you have not given directions on how to vote in the voting directions section of the proxy form for Resolutions 1, 4, 5 and 6 the proxy form expressly directs and authorises the Chair to cast your votes "for" the relevant Resolution. This express authorisation is included because without it the Chair would be precluded from casting your votes as these Resolutions are connected with the remuneration of Key Management Personnel. Subject to any voting prohibitions that may apply to the Chair in respect of Resolutions 1, 4, 5 and 6 to restrict the Chair from voting undirected proxies, the Chair intends to vote all undirected proxies in favour of Resolutions 1, 4, 5 and 6.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Image Resources NL ABN 57 063 977 579 (**Company**) in connection with the business to be conducted at the annual general meeting of the Company to be held at Suite 2004, Level 20, 201 Elisabeth Street, Sydney NSW 2000, on 29 May 2020 commencing at 9:00am (WST).

The purpose of this Explanatory Memorandum 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. This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report, for the financial year ended 31 December 2019.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- discuss the Annual Report, which is available online from the Company's website www.imageres.com.au;
- ask questions about, or comment on, the management of the Company; and
- ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

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

- the content of the auditor's report; and
- the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report, which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel.

The Remuneration Report has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site www.imageres.com.au.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report. However, Shareholders will have the opportunity to remove the whole Board (except the managing director) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive AGM's.

Where a resolution on the Remuneration Report receives a Strike at two consecutive AGM's, the Company will be required to put to Shareholders at the second AGM a resolution (**Spill Resolution**) on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2019 AGM. Accordingly, a Spill Resolution is not relevant for this AGM. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2021 AGM, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

1.2 Voting on the Remuneration Report

Refer to the voting prohibition set out in the Notice for the persons who are not entitled to vote on Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

2. RESOLUTION 2 – RE-ELECTION OF AARON SOO AS A DIRECTOR

2.1 General

Mr Aaron Chong Veoy Soo was appointed as a Director on 27 July 2015. The Board considers Mr Soo to be an independent director.

In accordance with Listing Rule 14.4, no Director may hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Directors must retire at each AGM. The requirement to retire does not apply to the managing director.

Accordingly, Mr Soo will retire by rotation and, being eligible, offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

2.2 Director's biography and experience

Mr Soo is an advocate and solicitor practising in West Malaysia with 20 years of experience in legal practice and currently a partner in Stanley Ponniah, Ng & Soo, Advocates & Solicitors.

2.3 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, all the Directors consider that Resolution 2 is in the best interests of the Company, as Mr Soo has a wealth of experience and expertise which is valuable to the Company. All the Directors, except Mr Soo, recommend that Shareholders vote in favour of Resolution 2.

The Chair intends to vote all available proxies in favour of Resolution 2.

3. RESOLUTION 3 – RE-ELECTION OF CHAUDIAN CHEN AS A DIRECTOR

3.1 General

Mr Chaodian Chen was appointed as a Director on 8 June 2016. The Board does not consider Mr Chen to be an independent director as he is associated with the Company's major Shareholder, Murray Zircon and is also associated with Orient Zirconic Resources (Australia) Pty Ltd, a substantial shareholder of the Company.

In accordance with Listing Rule 14.4, no Director may hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Directors must retire at each AGM. The requirement to retire does not apply to the managing director.

Accordingly, Mr Chen will retire by rotation and, being eligible, offers himself for re-election.

Resolution 3 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.2 Director's biography and experience

Mr Chen founded Guangdong Orient Zirconic Ind Sci & Tech Co., Ltd (Orient Zirconic) in 1995 and has built the company into a leading company in the zirconium industry. Orient Zirconic is a listed company on the Shenzhen stock exchange in China (SZ: 002167). Mr Chen served as President and Chairman of the company until mid-2013 (when China National Nuclear Corporation became the largest shareholder in Orient Zirconic) and was re-appointed as a director in January 2020. He became the Chairman of Murray Zircon when the company was founded in 2011 as a result of Orient Zirconic's first investment in mining in Australia. Mr Chen is the Vice President of China's Non-Ferrous Metals Industry Association Titanium Zirconium & Hafnium Branch, the Director of the Zirconium and Hafnium Committee and the Adjunct Professor

of Shantou University Business School. He holds an EMBA degree and owns a number of patents involving the processing of zircon. He is current Vice President of Orient Zirconic.

3.3 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, all the Directors consider that Resolution 3 is in the best interests of the Company, as Mr Chen's long involvement at senior levels in the international minerals sands industry has been an invaluable knowledge source helping to deliver the Boonanarring Project to the production stage in a timely manner. All the Directors, except Mr Chen, recommend that Shareholders vote in favour of Resolution 3.

The Chair intends to vote all available proxies in favour of Resolution 3.

4. RESOLUTION 4 – INCREASE IN MAXIMUM AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

4.1 General

Listing Rule 10.17 and clause 88 of the Constitution provide that the maximum aggregate amount of the remuneration payable as Directors' fees to non-executive Directors is to be determined by Shareholders in a general meeting by ordinary resolution.

Executive Directors receive salary and other remuneration in accordance with the terms of their employment agreements, but do not receive Directors' fees. The remuneration paid by the Company to the executive Directors is not included in the maximum aggregate amount of Directors' fees for the purpose of this Resolution. The relevant remuneration is all fees payable to a non-executive Director for acting as a director of the Company (including attending and participating in any Board committee meetings) and includes superannuation contributions for the benefit of a non-executive Director and any fees which a non-executive Director agrees to sacrifice for other benefits.

The current maximum aggregate remuneration available for non-executive Directors has not changed since the last determination by Shareholders in 2009.

As set out in further detail below, the Directors consider it is reasonable and appropriate at this time to seek Shareholder approval for an increase to the maximum fee pool for non-executive Directors (for the purposes of Listing Rule 10.17) in recognition of the need to pay market competitive fees to ensure the Company is able to attract and retain non-executive Directors of the requisite calibre for the Company's Board and in recognition of Directors' increased workloads, including with regard to the Company's transition from a micro-cap exploration company to an emerging mid-cap mining company.

If Resolution 4 is passed, the maximum Directors' fees that may be paid to all of the Company's non-executive Directors in each financial year increases from \$300,000 to \$500,000 (an increase of \$200,000). The remuneration of each non-executive Director for the year ended 31 December 2019 is detailed in the Remuneration Report of the Annual Report.

The Directors take the view that based on best practice, it is appropriate to increase the maximum non-executive Director remuneration pool to provide flexibility to attract and retain non-executive directors on remuneration terms commensurate with their skills and expertise and the Company's size and stage of development as a mineral sands producer.

Resolution 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

4.2 Non-executive Director fee review

The executive Directors of the Company requested a market survey from an independent consulting company to determine how the current aggregate fee limit of \$300,000 relates to that of peer companies of a similar market capitalisation as the Company. The results of that survey indicated that the Company's aggregate fee limit is substantially below that of its peer companies. Informed by this review, the Board determined that an increase to non-executive Director member and committee fees was appropriate, having regard to:

- (a) the need to ensure the Company is competitive in attracting and retaining non-executive Director talent with the requisite skills, expertise and experience to support the Company's transition to a mineral sands producer and execution of its mid and long term plans in the interests of Shareholders; and
- (b) the increased workload of Directors in light of the Company's transition from a micro-cap exploration company to an emerging mid-cap mining company.

No securities have been issued to any non-executive Director under Listing Rules 10.11 or 10.14 with Shareholder approval within the past three years.

Accordingly, the Board considers it appropriate to put this proposed increase to the Shareholders at this time. Disclosure of Directors' remuneration will continue to be made to Shareholders in each annual report in accordance with applicable

legal and ASX requirements. If Shareholder approval is obtained, the increased fee pool will apply for the financial year ending 31 December 2020.

4.3 Voting exclusion

A voting exclusion statement applies to Resolution 4, as set out in the Notice.

4.4 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, the Directors, acknowledging that each non-executive Director has a personal interest in their own remuneration from the Company, recommends that Shareholders vote in favour of Resolution 4.

The Chair intends to vote all available proxies in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL OF EMPLOYEE SHARE PLAN

5.1 General

Resolution 5 seeks Shareholder approval in accordance with Exception 13(b) of Listing Rule 7.2 for the Company to issue securities under the Employee Share Plan without prior Shareholder approval in reliance on the exception to Listing Rule 7.1. The principal terms of the Employee Share Plan are set out in Annexure A.

Listing Rule 7.1 places certain restrictions on the extent to which a listed company may issue certain securities. The effect is that shareholder approval is required before a company may issue certain securities representing more than 15% of the capital of that company within a 12 month period. However, certain issues are exempt from the restrictions of Listing Rule 7.1 and are effectively disregarded for the purposes of determining the number of securities which a company may issue within a 12 month period.

Exempt issues include an issue of securities to persons participating in an employee incentive scheme where shareholders have approved the issue of securities under the employee incentive scheme as an exemption from Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of issue.

In order to take advantage of the exemption from Listing Rule 7.1 and allow the Company flexibility to issue securities, Shareholders are requested to approve the issue of securities under the Employee Share Plan as an exception to Listing Rule 7.1. This approval will be effective for a period of 3 years from the date of the Resolution. It should be noted that approval of Resolution 5 does not in itself allow for the issue of securities under the Plan to a Director. Securities cannot be issued under the Plan to Directors or their Associates unless prior approval of Shareholders is obtained in accordance with Listing Rule 10.14.

The main purpose of the Employee Share Plan is to give an additional incentive to employees of the Company to provide dedicated and ongoing commitment and effort to the Company, and for the Company to reward its employees for their efforts.

Shares issued under the Employee Share Plan will rank *pari passu* in all respects with the Company's existing Shares. The Company will make application to ASX for official quotation of Shares issued under the Employee Share Plan.

As an integral feature of the Employee Share Plan, the Company provides financial assistance to participants in the form of loans, which take the form of interest free and fee-free, limited recourse loans. When the Employee Share Plan was first adopted by Shareholders in 2018, Shareholders also approved various aspects of the Plan under the Corporations Act as set out below.

- (a) Shareholders approved the Plan for the purposes of section 257B(1) of the Corporations Act to empower the Company to undertake a buy-back of Shares under the Plan using the employee share scheme buy-back procedure under the Corporations Act if required (for example, in situations where Shares are forfeited in accordance with the terms of issue).
- (b) Shareholders approved the Plan for the purposes of section 259B(1) of the Corporations Act so the Board has the ability to take security over Shares issued under the Employee Share Plan and the respective loan agreement to be entered into between the Company and the eligible participant.
- (c) Shareholders approved the Plan to ensure that it qualifies for the special exemption from financial assistance under section 260C(4) of the Corporations Act.

Refer to the Company's notice of meeting dated 11 January 2018 for more information on those approvals.

Resolution 5 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

5.2 Information required by Listing Rule 7.2 Exception 13(b)

The following information is provided in accordance with Listing Rule 7.2 Exception 13(b).

- (a) A summary of the terms of the Employee Share Plan are set out in Annexure A.
- (b) The Employee Share Plan was last approved by Shareholders at the general meeting held on 13 February 2018. Since that date, a total of 13,761,453 Shares have been issued under the Plan. Of this total, 11,375,758 Shares were issued to employees under Listing Rule 7.2 Exception 13(b) and the balance of 2,385,695 Shares were issued to Directors after Shareholder approval was obtained under Listing Rule 10.14 at the Company's AGM held on 1 May 2019.
- (c) The maximum number of equity securities proposed to be issued to employees under the Employee Share Plan in the next three years (before a fresh approval under Listing Rule 7.2 Exception 13(b) is required) if Resolution 5 is approved is 50,000,000. This maximum is not intended to be a prediction of the actual number of securities to be issued under the Plan but is specified for the purposes of setting a ceiling on the number of securities approved to be issued under and for the purposes of Listing Rule 7.2 Exception 13(b). Once this number is reached, if the Company wants to issue further securities under the Plan, it will need to go back to Shareholders for a fresh approval. The Board will determine in its absolute discretion whether any Shares will ultimately be granted to eligible employees under the Plan and may decide to issue all, some or none of the maximum number of Shares approved under Resolution 5.

The maximum number does not include the issue of securities to eligible Directors under the Plan – any persons covered by Listing Rule 10.14 (including Directors) must obtain prior approval under Listing Rule 10.14. The number of securities able to be issued under the Employee Share Plan is also subject to a maximum number prescribed by the Plan (refer to Annexure A condition 5), so as at the date of any offer to be made under the Plan, the Company must also comply with that restriction.

- (d) A voting exclusion statement is included in the Notice.

5.3 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, the Directors believe that Resolution 5 is in the best interests of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 5. The Directors have formed this view as the passing of this Resolution will provide the Company with flexibility to issue securities to employees (not Directors) pursuant to the Employee Share Plan without utilising the Company's placement capacity under Listing Rule 7.1.

The Chair intends to vote all available proxies in favour of Resolution 5.

6. RESOLUTION 6 – APPROVAL OF MAXIMUM GRANT OF SHARES TO EXECUTIVE DIRECTORS MR MUTZ AND/OR MR SAKALIDIS**6.1 General**

Resolution 6 seeks Shareholder approval under Listing Rule 10.14 to permit the Board the flexibility to grant up to 1,700,000 Shares to the executive Directors of the Company (being Mr Mutz and/or Mr Sakalidis pursuant to the Employee Share Plan. It is expected that any Shares that are ultimately granted to Mr Mutz and/or Mr Sakalidis from time to time if Shareholder approval is received for Resolution 6 will be made no later than one year after the date of the 2020 AGM, but in any event within three years of the 2020 AGM.

Approval is being sought so as to provide the Board with the flexibility to appropriately reward the performance of the Company's executive Directors (Mr Mutz and Mr Sakalidis) as they steer the Company in its transition to an emerging mid-cap mining company, including the various initiatives being undertaken to seek to extend mine life and further optimise production from the Company's Boonanarring mineral sands project. In determining whether to exercise any such discretion, the Board will need to have regard to whether the proposed grant of Shares is considered "reasonable remuneration" for the purposes of the related party provisions of the Corporations Act, having regard to the Company's position and the duties and responsibilities of the relevant employee.

Shares that are granted to Mr Mutz and/or Mr Sakalidis pursuant to this discretion will be issued at a price equal to the VWAP of the Company's ordinary shares on ASX over the five Trading Days prior to the relevant date of issue. To the extent that the Board exercises this discretion, a loan would also be provided to the relevant employee to fund the issue of those Shares in accordance with the rules of the Plan, with the Company taking security over the Shares issued until that loan is repaid in full. A summary of the terms of the proposed loan that would be provided to any employee who is granted such Shares is set out in Annexure B.

Resolution 6 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.2 Requirement for Shareholder approval

Shareholder approval is required under the provisions of Listing Rule 10.14 in respect of all securities to be issued to Directors (or their Associates) under an employee incentive scheme. Mr Mutz and Mr Sakalidis are currently executive Directors of the Company.

Resolution 6 therefore seeks the approval of Shareholders for these purposes to permit the Board to grant up to 1,700,000 Shares to Mr Mutz and/or Mr Sakalidis, pursuant to the Company's Employee Share Plan.

It is noted that the Plan itself was approved by Shareholders for the purposes of Listing Rule 7.2 Exception 9(b) (now Listing Rule 7.2 (Exception 13(b))) at the Company's general meeting held on 13 February 2018 and is being proposed for approval at this Meeting pursuant to Resolution 5 (refer to section 5 of this Explanatory Memorandum for more information). In any event, Listing Rule 7.2 (Exception 14) provides that Shareholder approval under Listing Rule 7.1 is not required for issues of securities that have been approved under Listing Rule 10.14. Accordingly, if Resolution 6 is approved, the issue of any Shares to Mr Mutz and/or Mr Sakalidis pursuant to that Resolution will not reduce the Company's 15% annual placement capacity for the purposes of Listing Rule 7.1.

6.3 Information required by Listing Rule 10.15

In accordance with the requirements of Listing Rule 10.15, the following information is provided for the purposes of Resolution 6.

- (a) Any Shares to be issued pursuant to this approval will be granted to Mr Mutz and/or Mr Sakalidis, or their respective nominees. No other Directors are entitled to participate in the issue of Shares under this approval.
- (b) Mr Mutz and Mr Sakalidis are currently employed as executive Directors of the Company. Mr Mutz is the Managing Director and Mr Sakalidis is the Exploration Director of the Company. As at the date of this Notice, Mr Sakalidis has indicated he will not seek re-election as a Director but will remain in his executive role as Head of Exploration.
- (c) The maximum number of Shares that could be granted to Mr Mutz and/or Mr Sakalidis pursuant to this approval will be an aggregate of 1,700,000 Shares.
- (d) Details of the current total remuneration packages for Mr Mutz and Mr Sakalidis are set out below:

Director	Cash remuneration	Other remuneration
Mr Mutz	\$479,000 per annum (inclusive of superannuation)	Participates in a Company-wide executive performance incentive scheme
Mr Sakalidis	\$225,000 per annum (inclusive of superannuation)	Participates in a Company-wide executive performance incentive scheme

- (e) The following securities have previously been issued to Mr Mutz and Mr Sakalidis pursuant to the Employee Share Plan pursuant to Shareholder approvals received at the 2019 AGM (refer to the Company's notice of meeting dated 27 March 2019 for more information):

Director	Date	Shares issued	Issue price per Share
Mr Mutz	17 May 2019 ¹	900,671 ¹	\$0.195 ¹
	27 September 2019 ²	740,672 ²	\$0.267 ²
<i>Total issued to Mr Mutz</i>		1,641,343	
Mr Sakalidis	17 May 2019 ¹	403,142 ¹	\$0.195 ¹
	27 September 2019 ²	341,210 ²	\$0.267 ²
<i>Total issued to Mr Sakalidis</i>		744,352	

Notes: 1 – Shares issued for performance for period 1 July 2017 through 30 June 2018 (FY2018) but issue delayed due to required shareholder approval.

2 – Shares issued for performance for period 1 July 2018 through 30 June 2019 (FY2019.)

The Company advanced the amount to be paid to acquire the Shares under the Plan under a loan agreement entered into with each of Mr Mutz and Mr Sakalidis. For more information on the terms of the loan agreement, refer to Annexure B.

- (f) Shares issued under this Resolution are fully paid ordinary securities and will rank pari passu in all respects with the Company's existing Shares.
- (g) It is expected that any Shares that are ultimately granted to Mr Mutz and/or Mr Sakalidis from time to time if Shareholder approval is received for Resolution 6 will be made no later than one year after the date of the 2020 AGM, but in any event within three years of the 2020 AGM. The Board (other than Mr Mutz and Mr Sakalidis) will determine in their absolute discretion whether any Shares will ultimately be granted to Mr Mutz and/or Mr Sakalidis and may decide to issue all, some or none of the maximum number of Shares approved under Resolution 6.
- (h) Any Shares to be issued pursuant to this Resolution will be issued at a price equal to the VWAP of Shares on ASX over the five Trading Days prior to the date of issue.
- (i) A summary of the terms of the Employee Share Plan is set out at Annexure A to this Explanatory Memorandum.
- (j) The terms of the loan in connection with any Shares to be issued pursuant to Resolution 6 are set out in Annexure B to this Explanatory Memorandum.
- (k) The details of any Shares issued under the Plan will be published in each annual report of the Company relating to a period in which Shares have been issued together with confirmation that approval for the issue of the Shares was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 6 is approved and who are not named in this Notice will not participate in the Plan until approval is obtained under Listing Rule 10.14.
- (l) A voting exclusion statement in respect of Resolution 6 is included in the Notice of Meeting.

6.4 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, the Directors (other than Mr Mutz and Mr Sakalidis) consider that Resolution 6 will provide the Board with the flexibility to remunerate Mr Mutz and Mr Sakalidis through the grant of Shares rather than, for example, a higher cash-based component of remuneration.

Accordingly, having considered these factors, the Board (other than Mr Mutz and Mr Sakalidis) believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 6.

The Chair intends to vote all available proxies in favour of Resolution 6.

7. RESOLUTION 7 – APPROVAL OF NEW CONSTITUTION

7.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

The Company's existing Constitution was adopted in April 2004 and has not been comprehensively reviewed or materially amended since then. Since that time, there have been developments in Australian corporate law and practice, including a number of amendments to the Corporations Act, the Listing Rules and other applicable laws and rules which impact on the Company which are not reflected in the existing Constitution.

The Company has conducted a review of its existing Constitution to bring it into line with current law and market practice and to ensure it reflects the amendments to the Corporations Act, Listing Rules and other applicable laws and rules since the current Constitution was adopted in April 2004. As the changes introduced affect numerous provisions in the existing Constitution, the Board has determined that it is more appropriate that a new Constitution (**Proposed Constitution**) be adopted, rather than amending the existing Constitution. The Board also considers this a good opportunity to modernise and simplify some of the existing language in the Constitution.

Resolution 7 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

In accordance with the Listing Rules, the Proposed Constitution has been approved by ASX.

7.2 Proposed material changes

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature and the Directors believe they are not material nor will they have any significant impact on Shareholders.

It is not practicable to list all of the proposed changes to the current Constitution in detail in this Explanatory Memorandum but a summary of the proposed material changes is set out below.

Material Change	Summary
Restricted Securities¹	<p>On 1 December 2019, the ASX introduced a two-tier escrow regime where ASX can require certain more significant holders of restricted securities and their controllers to execute a formal escrow agreement in the form of Appendix 9A. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of restricted securities and to simply give a notice to the holder of restricted securities advising them of those restrictions.</p> <p>Listing Rule 15.12 requires the constitution of listed entities to contain certain provisions in relation to restricted securities for so long as the entity has any restricted securities on issue. The Proposed Constitution contains provisions which reflect the current drafting of Listing Rule 15.12.</p> <p>Although the Company does not presently have any restricted securities on issue, the Board considers it prudent to update its Constitution to ensure it complies with these new requirements.</p>
Calls²	<p>The process regarding calls made by the Company in respect of any amount unpaid on a Share has been set out in greater detail in the Proposed Constitution. Further, the Proposed Constitution treats any payment of calls in advance as a loan to the Company, rather than allowing the Directors to determine whether it should be treated as capital or a loan as is currently the case under the existing Constitution.</p> <p>The existing Constitution provides that no Director is entitled to be present in person or by an alternate director or to vote at a meeting of Directors or to be reckoned in a quorum if and so long as he or she has failed to pay any call to the Company on Shares held by him or her after the date upon which the payment should have been made. This same restriction is not in the Proposed Constitution as the Company will have other rights and remedies under the Proposed Constitution against a person who fails to make payment on calls, including the forfeiture of any security and all dividends, interest and other amounts payable by the Company on the forfeited security.</p> <p>Further, if the decision to be taken at a meeting of the Directors is in relation to outstanding payments on calls to a Director, that Director would have to declare his/her interest in the matter in accordance with the provisions of the Proposed Constitution as explained below.</p>
Fee for registration of paper-based instruments of transfer³	<p>Under the Proposed Constitution, the Company is able to charge a reasonable fee for registering a paper-based instrument of transfer in registrable form subject to the Listing Rules. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to paper-based instruments of transfer.</p> <p>The existing Constitution does not contain a similar provision as the changes to the Listing Rules which allows for this fee being charged were introduced after the existing Constitution was adopted in April 2004.</p>
Sale of unmarketable parcels⁴	<p>Greater clarity has been provided in the Proposed Constitution regarding the process to be followed regarding the sale of unmarketable parcels. The non-marketable parcel sale process in the Proposed Constitution is more closely aligned with the existing Listing Rule requirements.</p>
Notice and conduct of general meetings⁵	<p>The notice requirements for general meetings and the conduct of general meetings have been set out more clearly and succinctly in the Proposed Constitution.</p>

¹ Rule 5.8. References to rules are references to the rules in the Proposed Constitution.

² Rule 6.

³ Rule 7.3

⁴ Rule 8.

⁵ Rule 9.

Material Change	Summary
	<p>The Proposed Constitution provides that, unless the Corporations Act provides otherwise, no person may move any amendment to a proposed resolution the terms of which are set out in the notice calling the meeting or a document which relates to such a resolution except with the approval of the Directors or the chair. The existing Constitution is silent on this.</p> <p>As with the existing Constitution, the Board has the flexibility to determine that any notice regarding the change of venue or postponement or cancellation of a general meeting is to be provided to shareholders either:</p> <ul style="list-style-type: none"> • through a notice given to ASX; • through a newspaper advertisement; or • in any other way subject to the Corporations Act and Listing Rules. <p>The Proposed Constitution also provides that if any technical difficulty occurs which precludes a member from having a reasonable opportunity to participate in a general meeting at two or more places, the chair may either adjourn the meeting until the technology gives members a reasonable opportunity to participate or continue the meeting. No member may object to the meeting being held or continuing in that case. The existing Constitution is silent on this.</p> <p>Other minor amendments have been made in order to further facilitate the orderly and proper conduct of general meetings.</p>
Quorum at general meetings⁶	<p>Quorum requirements have been further clarified in the Proposed Constitution. The clarifications include that a member placing a direct vote (i.e. by post, facsimile or other electronic means) is not taken into account in determining quorum.</p>
Proxies⁷	<p>Provisions are included in the Proposed Constitution that allow the Company to seek clarification and, when authorised, amend proxy instructions received from a Shareholder. The existing Constitution is silent on this.</p>
Direct voting⁸	<p>The Proposed Constitution permits the Board to introduce 'direct voting', which enables Shareholders to vote directly on resolutions by submitting their votes electronically or by other means at that general meeting. Direct voting allows Shareholders to vote on resolutions to be considered at a meeting without the need to physically attend the meeting or appoint a proxy or other representative. The Directors will have absolute discretion as to how such direct votes may occur. The existing constitution does not allow for direct voting.</p> <p>As noted above, under the Proposed Constitution, any Shareholder placing a direct vote is not taken into account in determining a quorum for that meeting.</p>
Right to demand poll⁹	<p>The Proposed Constitution provides, amongst other things, that members with at least 5% of the votes that may be cast on a resolution may demand a poll, as opposed to the existing Constitution which provides that members with at least 10% of the votes may demand a poll. This change makes it easier for minor Shareholders to demand voting by a poll.</p>
Directors¹⁰	<p>There are a number of differences between the existing Constitution and Proposed Constitution in relation to the provisions relating to Directors.</p> <p>Rules relating to the election of Directors have been amended so that they are more closely aligned with the Listing Rules. In particular:</p>

⁶ Rule 10.1.

⁷ Rule 11.

⁸ Rule 12.5.

⁹ Rule 12.10.

¹⁰ Rule 13.

Material Change	Summary
	<ul style="list-style-type: none"> • directors who are appointed to fill a casual vacancy or as an addition to the Board (other than a managing director) must not hold office without re-election past the first annual general meeting after their appointment; and • other Directors must not hold office without re-election for more than three years or past the third annual general meeting after they were last elected (whichever is longer). <p>In relation to the second bullet point above, the existing Constitution provides that, at the Company's annual general meeting each year, one-third of the Directors (except the Managing Director) for the time being, or, if their number is not a multiple of three, then the number nearest one-third (rounded upwards in the case of doubt), must retire. The amendments are aimed at simplifying Director rotation.</p>
Director nomination by members¹¹	<p>The Proposed Constitution provides that where a member is intending to nominate a person for election as a Director at a general meeting, they must give the Company notice of that intention at least 45 business days before the meeting but not more than 90 business days before the meeting. Under the existing Constitution, Director nominations must be received no later than 30 business days before the meeting.</p> <p>This change recognises the need to give 28 clear days' notice of the general meeting and the time required for printing and distribution of a notice of meeting along with the administrative difficulty of having a long nominations period.</p>
Removal of Directors¹²	<p>The Proposed Constitution is more comprehensive on the procedure for the removal of Directors.</p> <p>The existing Constitution provides that, when a person has been removed as a Director by a resolution of the Company and a person is appointed in their place, the person appointed holds office during such time only as the Director in whose place he or she is appointed would have held office. The Proposed Constitution does not contain an equivalent provision and therefore a director appointed in such circumstances will be treated in the same manner as any other Director who is appointed to fill a casual vacancy or as an addition to the Board.</p> <p>Under the Proposed Constitution, a person ceases to be a Director if the person is absent from Board meetings for a continuous period of six consecutive months without leave of absence from the Directors and a majority of the other Directors have not, within 10 business days of having been given a notice by the secretary giving details of the absence, resolved that a leave of absence be granted. In particular, the Proposed Constitution provides that a person will not be deemed to cease as a Director if they are absent from the office of director by virtue of a Board approved leave of absence.</p> <p>The existing Constitution provides that a person automatically ceases to be a Director if the Director fails to attend 3 consecutive Board meetings without special leave of absence from the Board and the Directors thereupon declare his or her seat to be vacant.</p>
Director remuneration¹³	<p>The proposed rules relating to remuneration of non-executive Directors are broadly in line with the existing Constitution. As with the existing Constitution, under the Proposed Constitution, the total annual fees of non-executive Directors must not exceed the aggregate fixed by the Company in general meeting. The existing limit set at the Company's 2009 AGM of \$300,000 per annum shall remain in place unless Resolution 4 is approved by Shareholders. If Resolution 4 is approved by Shareholders, the limit will increase by \$200,000 to \$500,000 per annum. Refer to Resolution 4 and section 4 of this Explanatory Memorandum for more information.</p>

¹¹ Rule 13.4.

¹² Rule 13.5.

¹³ Rule 13.9.

Material Change	Summary
Alternate Directors¹⁴	The existing Constitution provides that a managing director may not appoint an alternate to act as managing director. The Proposed Constitution does not contain this restriction and provides that a Director may, with the approval of a majority of the other Directors, appoint a person to be the Director's alternate for such period and on such terms as the Director decides.
Dividends¹⁵	<p>Following amendments to the Corporations Act, companies are no longer restricted to paying dividends out of profits. The Proposed Constitution will give the Directors the flexibility to resolve to pay a dividend out of any available source permitted by law.</p> <p>Further, the Proposed Constitution provides that, if a dividend is paid but remains unclaimed for more than 11 months, the Company can, subject to compliance with applicable law, reinvest that amount, after deducting reasonable expenses, into Shares in the Company on behalf of and in the name of the Shareholder entitled to the dividend. The existing Constitution provides that any declared but unclaimed dividends can be invested for the benefit of the Company until claimed or until required to be dealt with in accordance with any law relating to unclaimed money.</p> <p>The Proposed Constitution expands the wording of the existing Constitution regarding ancillary powers of Directors in relation to dividends.</p>
Indemnity and insurance¹⁶	The Proposed Constitution's indemnity and insurance provisions will extend to officers, Directors and secretaries of the Company and its subsidiaries. The equivalent provision in the existing Constitution provides that the Directors can elect whether or not they consider it appropriate that the Company indemnifies officers of a related body corporate of the Company.
Proportional takeover provision¹⁷	Schedule 1 of the Proposed Constitution contains a proportional takeover provision. Resolution 7 does not include the approval of proposed Schedule 1. Instead, the proposed Schedule 1 will require a separate approval which is contained in Resolution 8. The explanatory notes associated with this Schedule 1 are set out below in section 8 of the Explanatory Memorandum.
General	<p>References to applicable legislation and rules have been updated.</p> <p>Relevant definitions have been updated to reflect current terminology and the various changes to the Corporations Act and Listing Rules. Where possible the Proposed Constitution relies on terms defined in the Corporations Act and Listing Rules.</p>

7.3 Copies of Proposed Constitution

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary by email to dennis@dwcorporate.com. Shareholders are invited to contact the Company if they have any queries or concerns.

7.4 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, the Directors consider Resolution 7 to be in the interests of the Shareholders and unanimously recommend that Shareholders adopt the Proposed Constitution by voting in favour of Resolution 7.

The Chair intends to vote all available proxies in favour of Resolution 7.

¹⁴ Rule 13.16.

¹⁵ Rule 18.

¹⁶ Rule 20.

¹⁷ Schedule 1 of Proposed Constitution

8. RESOLUTION 8 – APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS

8.1 General

Resolution 8 proposes to approve the insertion of a new Schedule 1 “Proportional Takeovers” as set out in Annexure C to this Notice (**Provisions**) in the Proposed Constitution and, failing approval of the Proposed Constitution under Resolution 7, in the existing Constitution in place of Schedule 1.

The Provisions have the effect that transfers of shares acquired under a proportional takeover bid will not be registered unless a resolution approving the bid is passed by holders of the bid class securities. In accordance with the Corporations Act, the Provisions would cease to operate three years after their adoption unless members resolve by special resolution to renew them in accordance with the statutory procedure.

Under the existing Constitution, similar provisions were last approved by Shareholders at the annual general meeting of the Company in 2017 by amending the Constitution then in place accordingly. However, those provisions will cease to operate at the end of May 2020 and, by operation of section 648G(3) of the Corporations Act, shall be omitted from the existing Constitution.

If this Resolution 8 is passed and:

- (a) Resolution 7 is passed and the Proposed Constitution adopted, the Provisions will be incorporated into the Proposed Constitution as Schedule 1 and will operate for three years after their adoption under the Proposed Constitution; or
- (b) Resolution 7 is not passed, the Provisions will be incorporated into the existing Constitution in place of Schedule 1 and will also operate for a period of three years after their adoption.

Resolution 8 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

8.2 Impact of the Provisions

The Provisions will only apply to a proportional takeover offer - that is, to takeover offers for less than 100% of each holder's holding. The Provisions will have no application to takeover bids where an offer is made for all of the securities in a class of securities.

If the Provisions are approved and a proportional takeover bid is made for securities of the Company, the Directors will be required to call a meeting of holders of bid class securities to vote on a resolution to approve that bid. The Directors will breach the Corporations Act if they fail to ensure the resolution is put to affected security holders. Each security holder affected will be entitled to vote (except for the bidder and persons associated with the bidder, who may not vote). Approval of the bid will require a simple majority of the votes cast.

The meeting must be held at least 14 days before offers close under the bid, so that holders should know the result of the voting before they have to make up their minds whether or not to accept for their own securities. However, if no resolution is voted on before that deadline, the resolution will be deemed to have passed.

In accordance with the Corporations Act, the Provisions will again cease to operate three years after their adoption unless members resolve by special resolution to renew them in accordance with the statutory procedure.

As at the date of this Notice, the Directors are not aware of any proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Further, no takeover bids for the Company were made, either proportional or otherwise, while the proportional takeover provisions were previously in effect. The Directors are not aware of any potential takeover bid that was discouraged by the previous inclusion of proportional takeover provisions in the Company's Constitution.

8.3 Advantages of the Provisions for Shareholders

The Provisions would enable Shareholders to act in a cohesive manner and thereby avoid the coercion of Shareholders that arises where they believe the offer to be inadequate, but nevertheless accept through fear that other Shareholders will accept.

The Provisions would enable Shareholders, by combining together, to veto a change of control that would lock them into a minority position.

The existence of the approval machinery in the Company's Constitution would make it more probable that any takeover bid will be a full bid for the whole shareholding of each member, so that Shareholders may have the opportunity of disposing of all their shares rather than only a proportion of their shares.

If a proportional takeover bid should be made, the existence of the approval procedure will make it more probable that a bidder will set its offer price at a level that will be attractive to the Shareholders who vote.

8.4 Disadvantages of the Provisions for Shareholders

By placing obstacles in the way of proportional takeover bids, the Provisions may tend to discourage proportional takeover bids, thus reducing the opportunity for Shareholders to sell a portion of their holding.

It is possible (though, in the opinion of the Board, unlikely) that the existence of the Provisions might have an adverse effect on the market value of the Company's Shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the Share price.

An individual Shareholder who wishes to accept a proportional takeover bid will be unable to sell to the bidder unless a majority of Shareholders favour the proportional takeover bid.

8.5 Advantages and disadvantages of the Provisions for the Directors

If the Directors consider that a proportional takeover bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company if the bidder needs a majority of the votes cast by the independent Shareholders before it can succeed.

On the other hand, under the proposal, if a proportional takeover bid is commenced, the Directors must call a meeting to seek the Shareholders' views. The Directors must do so even though they believe that the bid should be accepted.

Under the approval procedure, the most effective view on the proportional takeover bid will become the view expressed by the vote of the Shareholders themselves at the meeting.

8.6 Reasons for proposing the Resolution

Given the advantages of the Provisions for Shareholders outlined above, the Directors consider that Shareholders should have the opportunity to consider including provisions in the Company's Constitution that require Shareholder approval for proportional takeover bids.

The Directors consider that the advantages associated with having the Provisions included in the Company's Constitution outweigh the disadvantages. They consider that Shareholders should have the power to prevent the control of the Company from passing to a bidder without it making a bid for all the bid class shares. They believe that the approval procedure is the best available for Shareholders to ensure that they are not forced to accept a proportional offer even though they do not wish the bidder to obtain control of the Company.

8.7 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Memorandum, the Directors consider Resolution 8 to be in the interests of the Shareholders and unanimously recommend that Shareholders adopt the proportional takeover provisions by voting in favour of Resolution 8.

The Chair intends to vote all available proxies in favour of Resolution 8.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM	means an annual general meeting.
Annual Report	means the Directors' Report, the Financial Report and Auditor's Report in respect of the financial year ended 31 December 2019.
Associate	has the same meaning as the meaning prescribed by Listing Rule 19.12.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Auditor's Report	means the auditor's report on the Financial Report.
Board	means the board of Directors.
Chair	means the chair of the Meeting.
Closely Related Party	of a member of the Key Management Personnel means: <ul style="list-style-type: none">• a spouse or child of the member;• a child of the member's spouse;• a dependent of the member or the member's spouse;• 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;• a company the member controls; or• a person prescribed by the Corporations Regulations 2001 (Cth).
Company	means Image Resources NL ABN 57 063 977 579.
Constitution	means the Company's constitution, as amended from time to time.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company.
Employee Share Plan or Plan	means the employee share plan approved by Company Shareholders at the general meeting on 13 February 2018. A summary of the details of the Plan is set out in Annexure A.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company.
Key Management Personnel	has the same meaning as in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any directors of the Company.
Listing Rules	means the listing rules of the ASX.
Meeting	means the annual general meeting of Shareholders convened for the purpose of considering the Resolutions, as defined in the opening paragraph of the Notice.
Notice or Notice of Meeting	means the notice of annual general meeting accompanying this Explanatory Memorandum.
Proposed Constitution	has the meaning set out in section 7.1 of the Explanatory Memorandum.
Provisions	has the meaning set out in section 8.1 of the Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company contained in the Annual Report.

Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Spill Resolution	has the meaning set out in section 1.1 of the Explanatory Memorandum.
Strike	has the meaning set out in section 1.1 of the Explanatory Memorandum.
Trading Day	has the meaning prescribed by Listing Rule 19.12.
VWAP	has the meaning prescribed to the term “volume weighted average market price” by Listing Rule 19.12.
WST	means Australian Western Standard Time.

ANNEXURE A

TERMS AND CONDITIONS OF EMPLOYEE SHARE PLAN

The principal terms of the Employee Share Plan are summarised below.

1. Background

Under the Employee Share Plan, an Eligible Employee (see condition 3) of the Company and its related bodies corporate (**Group**) may be offered the opportunity to acquire shares in the Company (**Shares**) on the basis the Company loans the participant an amount equal to the purchase price for those Shares.

2. Purpose

The purpose of the Employee Share Plan is to (among other things):

- (a) provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the performance of the Group and the Company's return to Shareholders; and
- (b) enable the Group to retain and attract skilled and experienced employees and provide them with the motivation to make the Group more successful.

3. Eligibility

3.1 Employees of the Group will be selected by the Company's board or a committee of the Company's board (**Board**) as entitled to participate in the Employee Share Plan (**Eligible Employees**).

3.2 Each Eligible Employee will be individually invited to participate in the Employee Share Plan.

4. Acceptance

In order to accept an invitation to participate in the Employee Share Plan, an Eligible Employee must complete, sign and return the application form accompanying their invitation.

5. Maximum number of Shares to be acquired

The maximum number of Shares that an Eligible Employee may be issued with under the Employee Share Plan will be set out in the invitation. The Board may not issue Shares under the Employee Share Plan if the total number of securities that would be issued under the Employee Share Plan during the previous 3 years exceeds 5% of the total number of issued securities in that class as at the date of the offer.

6. Issue price of Shares and Loan

6.1 The price at which Shares will be issued to an Eligible Employee under the Employee Share Plan will be determined by the Board and set out in the invitation.

6.2 The Company will advance (**Loan**) to the Eligible Employee the amount to be paid to acquire Shares under the Employee Share Plan under a loan agreement (**Loan Agreement**) to be entered by the Eligible Employee.

7. Interest payable on the Loan

There will be no interest or fees payable on the Loan.

8. Repayment of Loan

8.1 If any dividends are declared and paid on the Shares, or an Eligible Employee disposes of any Shares, the dividend or proceeds of sale must, to the extent necessary, be applied to repay the balance of the Loan.

8.2 An Eligible Employee must immediately repay the balance of the Loan on the earlier of the date:

- (a) they cease to be employed by the Group;
- (b) they fail to pay when due any money they are liable to pay under or in connection with the Loan;
- (c) they fail to comply with any of their other obligations under the Employee Share Plan or the Loan Agreement;
- (d) they commit an act of bankruptcy; or
- (e) they die or become incapable of managing their affairs.

9. Limited Recourse

Subject to condition 8.1, the only recourse that the Company has is against the Shares issued to the Eligible Participant under the Employee Share Plan. That is, the Company has no other right to make a claim against the Eligible Participant for failure to repay the Loan. It may only buyback the Shares and the consideration for the buyback will be used to repay the Loan.

10. Rights as a Shareholder

Once the Shares are issued to an Eligible Participant, they will have the same rights as other Shareholders (such as voting or dividend rights, subject to condition 8.1 above).

11. Dealings with Shares

An Eligible Employee must not sell or transfer any Share acquired by them under the Employee Share Plan, unless:

- (a) the Board gives its prior written approval for the sale; and
- (b) the sale is made in accordance with the Loan Agreement.

The Company may enter into arrangements with its share registry to enforce these transfer restrictions, including imposing a holding lock on the Shares.

12. Conditions

The Shares may be issued subject to certain conditions determined by the Board and set out in the invitation to participate in the Employee Share Plan.

13. Employment

13.1 The Loan Agreement, the Employee Share Plan, the invitation and any other relevant documents, and the Eligible Employee's participation in the Plan, does not form part of any employment contract.

13.2 Participation in the Employee Share Plan will not in any way affect an Eligible Employee's rights and obligations under the terms under which they are employed.

14. Tax

14.1 An Eligible Employee should seek independent advice as to the taxation implications arising from participating in the Employee Share Plan. Due to the complex nature of the taxation laws and the fact that the consequences will depend on an Eligible Employee's particular circumstances, the Company is unable to provide individual advice as to the taxation implications of participation.

14.2 Any advice given by or on behalf of the Company in connection with the Employee Share Plan (if any) is and shall be general in nature only. An Eligible Employee should consider obtaining financial advice from an independent person licensed by the Australian Securities and Investments Commission to give that advice. In addition, an Eligible Employee should consult a tax adviser about the consequences of participation in the Employee Share Plan.

ANNEXURE B

TERMS AND CONDITIONS OF THE PLAN LOAN

The principal terms of the Loan related to the acquisition of Shares under the Employee Share Plan are set out below.

1. Background

- 1.1 Under the Employee Share Plan approved by Company Shareholders on 13 February 2018 and proposed for approval under Resolution 5 of this Notice of Meeting, an Eligible Employee (see section 2) of the Company and its related bodies corporate (**Group**) may be offered the opportunity to acquire Shares on the basis the Company loans the participant an amount equal to the purchase price for those Shares.
- 1.2 Employees of the Group will be selected by the Company's board or a committee of the Company's board (**Board**) as entitled to participate in the Plan (**Eligible Employees**).
- 1.3 Each Eligible Employee will be individually invited to participate in the Plan.

2. Loan Agreement

The Company will advance (**Loan**) to the Eligible Employee the amount to be paid to acquire Shares under the Plan under a loan agreement (**Loan Agreement**) to be entered by the Eligible Employee.

3. Interest payable on the Loan

There will be no interest payable on the Loan.

4. Direction to apply funds

The Eligible Employee directs the Company to apply the Loan advanced on behalf of the Eligible Employee to pay the aggregate issue price for the Shares and hold the funds on trust for the Eligible Employee until such payment is made.

5. Repayment of Loan

- 5.1 If any dividends are declared and paid on the Shares, or an Eligible Employee disposes of any Shares, the dividend or proceeds of sale must, to the extent necessary, be applied to repay the balance of the Loan.
 - 5.2 An Eligible Employee must immediately repay the balance of the loan on the earlier of the date:
 - (a) that is three years after the issue date;
 - (b) they cease to be employed by the Group;
 - (c) they fail to pay when due any money they are liable to pay under or in connection with the Loan;
 - (d) they fail to comply with any of their other obligations under the Plan or the Loan Agreement;
 - (e) they commit an act of bankruptcy;
 - (f) that a vesting condition applicable to the Shares becomes incapable of being satisfied; or
 - (g) they die or become incapable of managing their affairs, or an order is made to place their assets and affairs under administration under any law relating to mental health.
 - 5.3 If the balance of the Loan becomes repayable, the Company must accept in full and final satisfaction of the Eligible Employee's obligations under the Loan Agreement:
 - (a) if the vesting conditions applicable to the Shares have been satisfied or waived, the relevant Loan balance in cash or by other means agreed between the Eligible Employee and the Company; or
 - (b) in any case the Company may buy-back or transfer the Shares.
 - 5.4 If the Eligible Employee fails to repay the full Loan balance on the date that is three years after the issue date, or has not satisfied the vesting conditions, the Company may transfer the Shares.
- #### 6. Early Repayment
- 6.1 An Eligible Employee may apply to the Company to repay the Loan balance in respect of all or some of the Shares before the date on which the Loan balance would otherwise be payable.
 - 6.2 In approving an application for early repayment, the Company may, in its discretion, agree to procure the sale of the Shares on the Eligible Employee's behalf in accordance with the power of attorney provided for by the Plan, and apply the proceeds of that sale to the Loan balance.

7. Limited Recourse

Subject to section 5 above, the only recourse that the Company has is against the Shares issued to the Eligible Employee under the Plan. That is, the Company has no other right to make a claim against the Eligible Employee for failure to repay the Loan. It may only buyback the Shares and the consideration for the buyback will be used to repay the Loan.

8. Restrictions

To the extent permitted by law, the Eligible Employee grants a first ranking security interest in favour of the Company over each Plan Share issued to the Eligible Employee to secure the obligations of the Eligible Employee under the Loan Agreement.

A holding lock will be placed on the Plan Shares until the Loan is repaid and any vesting conditions applicable to the Plan Shares being satisfied or waived.

ANNEXURE C**PROPORTIONAL TAKEOVER PROVISIONS**

Set out below is the new schedule containing the proportional takeover provisions which, subject to the approval of the Proposed Constitution under Resolution 7, are proposed to be inserted in the Proposed Constitution as Schedule 1 if Resolution 7 is approved.

If Resolution 7 is not approved but Resolution 8 is approved, then the below schedule shall be incorporated into the existing Constitution in place of Schedule 1.

Schedule 1**Proportional Takeovers****1. Definitions**

In this schedule:

- (a) **Approving Resolution** means a resolution of Eligible Shareholders approving a Proportional Takeover.
- (b) **Deadline** means the day which is the 14th day before the last day of the bid period for a Proportional Takeover.
- (c) **Proportional Takeover** means offers for securities made under a proportional takeover bid within the meaning of the Corporations Act.
- (d) **Eligible Shareholder** means a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under a Proportional Takeover was made, held securities in the class of securities to which the Proportional Takeover relates.

2. Transfer not to be registered

The registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover is prohibited unless and until an Approving Resolution is passed (or is taken to have been passed) in accordance with this Constitution.

3. Approving Resolution

- (a) Where offers have been made under a Proportional Takeover, the directors must, before the Deadline, convene a meeting of the Eligible Shareholders to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing a resolution to approve the Proportional Takeover.
- (b) The provisions of this Constitution relating to general meetings apply, with such modification as is necessary, to a meeting convened under this paragraph 3 as if that meeting were a general meeting.
- (c) Any vote cast on an Approving Resolution by the bidder or any of its associates will be disregarded.
- (d) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (e) If an Approving Resolution is voted on in accordance with this paragraph 3 before the Deadline, a director or a secretary must, on or before the Deadline, give the bidder and the ASX (if required) notice stating that an Approving Resolution has been voted on and whether it was passed or rejected.
- (f) If no Approving Resolution has been voted on in accordance with this rule as at the end of the day before the Deadline, an Approving Resolution is taken, for the purposes of this Schedule, to have been passed in accordance with those provisions.

4. Cessation of effect

Paragraphs 1 to 3 cease to have effect at the end of three years after:

- (a) where those rules have not been renewed since their adoption, the date on which those rules were adopted by the Company; or
- (b) if those rules have been renewed since their adoption, the date on which they were last renewed.