



Notice of General Meeting

Eagle Mountain Mining Limited (ASX:EM2) (“Eagle” or “the Company”) advises that a General Meeting of Shareholders will be held at 11am (AWST) on Friday 25 September 2020 at Ground Floor, 22 Stirling Highway, Nedlands WA 6009.

Please see attached a Notice of meeting and a letter to shareholders advising further details of the meeting and access to meeting documents.

For further information please contact:

Tim Mason
BEng, MBA, GAICD
Chief Executive Officer
tim@eaglemountain.com.au

Mark Pitts
B.Bus, FCA, GAICD
Company Secretary
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This Announcement has been approved for release by the Board of Eagle Mountain Mining Limited

EAGLE MOUNTAIN MINING LIMITED

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of highly prospective greenfields and brownfields projects in Arizona, USA.

Arizona is at the heart of America’s mining industry and home to some of the world’s largest copper discoveries such as Bagdad, Miami and Resolution, one of the largest undeveloped copper deposits in the world.

EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204

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EAGLE MOUNTAIN MINING

Eagle Mountain Mining Limited

ACN 621 541 204

**Notice of General Meeting,
Explanatory Statement and Proxy Form**

General Meeting to be held at

**The Offices of Eagle Mountain Mining Limited
Ground Floor, 22 Stirling Highway Nedlands
Western Australia**

On Friday, 25 September 2020 at 11am (WST)

**Shareholders please refer to the Important Information regarding
the General Meeting on pages 1 and 2 of this Notice.**

Important Information

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Important dates

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

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	11am (WST) on Wednesday, 23 September 2020
Snapshot date for eligibility to vote	5pm (WST) on Wednesday, 23 September 2020
General Meeting	11am (WST) on Friday, 25 September 2020

Defined terms

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

Important information about the holding of the General Meeting to address COVID -19 virus health and safety requirements

The Board of Directors have elected to hold a physical meeting and have undertaken to implement certain protocols and practices to ensure the safe conduct of the General Meeting in line with general health advisory recommendation.

Please note the following:

- Eagle Mountain Mining Limited's General Meeting will be held at Ground Floor, 22 Stirling Highway, Nedlands WA as noted on the front page of this Notice.
- **Shareholders are encouraged to vote by proxy.**
- No refreshments will be served at the Meeting.
- Voting on all Resolutions will be conducted by poll and not by show of hands.
- The minimum number of Directors and the Secretary will attend the Meeting in person (taking into account social distancing practices).
- Questions for the Board of Directors can be emailed to info@eaglemountain.com.au and must be received no later than 5pm (WST) on Friday, 18 September 2020.

Notice of General Meeting

Notice is hereby given that a General Meeting of Eagle Mountain Mining Limited ACN 621 541 204 (**Company** or **Eagle Mountain**) will be held at **Ground Floor, 22 Stirling Highway, Nedlands WA** at **11am (WST) on Friday, 25 September 2020** for the purpose of transacting the business referred to in this Notice of General Meeting.

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

AGENDA

Resolutions 1(a) and 1(b): Ratification of issue of Placement Shares to Placement Participants

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

- (a) *“That under and for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 11,486,818 Placement Shares, issued at a price of \$0.13 each to the Placement Participants utilising the Company’s placement capacity under Listing Rule 7.1, in the manner and on the terms and conditions set out in the Explanatory Statement.”*
- (b) *“That under and for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve the issue by the Company of up to 11,590,105 Placement Shares, issued at a price of \$0.13 each to the Placement Participants utilising the Company’s placement capacity under Listing Rule 7.1A, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

Resolution 2: Ratification of issue of Options to Joint Lead Managers

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

“That under and for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve the issue by the Company of a total of 3,846,154 options to the Joint Lead Managers as part of the fee for arranging the Placement, of which 1,923,077 Options are exercisable at \$0.20 on or before 30 June 2021 and 1,923,077 Options exercisable at \$0.30 between 1 July 2021 and 1 July 2022, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolution 3: Approval to issue Options to Quartz Mountain Mining Pty Ltd

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

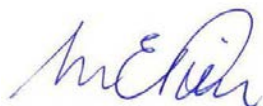
“That under and for the purposes of Listing Rule 10.11, section 208 of the Corporations Act 2001 (Cth) and for all other purposes, Shareholders hereby approve the issue of 950,000 Options, each exercisable at \$0.20 each, on or before 1 July 2022, to Quartz Mountain Mining Pty Ltd, and/or Quartz Mountain Mining Pty Ltd’s nominee(s), an entity associated with Mr Charles Bass, the Managing Director of the Company, in lieu of interest payable pursuant to a loan between Quartz Mountain Mining Pty Ltd and the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolutions 4(a), 4(b) and 4(c): Approval to issue Options to Directors

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

- (a) *“That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company of 125,000 Options, proposed to be issued to Mr Rick Crabb, or his nominee, a Director and Related Party of the Company, each exercisable at \$0.20 on or before 1 July 2022, in the manner and on the terms and conditions set out in the Explanatory Statement.”*
- (b) *“That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company of 125,000 Options, proposed to be issued to Mr Charles Bass, or his nominee, a Director and Related Party of the Company, each exercisable at \$0.20 on or before 1 July 2022, in the manner and on the terms and conditions set out in the Explanatory Statement.”*
- (c) *“That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company of 125,000 Options, proposed to be issued to Mr Roger Port, or his nominee, a Director and Related Party of the Company, each exercisable at \$0.20 on or before 1 July 2022, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

By order of the Board



Mr Mark Pitts
Company Secretary

14 August 2020

Voting Exclusions

Corporations Act voting prohibitions

Pursuant to sections 224 and 250BD of the Corporations Act, a vote on the following Resolution must not be cast (in any capacity) by or on behalf of the party specified in the table below or their respective Associates:

Resolution	Excluded Parties
Resolution 3	Quartz, Charles Bass or any other Related Parties to whom Resolution 3 would permit a financial benefit to be given.
Resolution 4(a)	Rick Crabb or any other Related Parties to whom Resolution 4(a) would permit a financial benefit to be given.
Resolution 4(b)	Charles Bass or any other Related Parties to whom Resolution 4(b) would permit a financial benefit to be given.
Resolution 4(c)	Roger Port or any other Related Parties to whom Resolution 4(c) would permit a financial benefit to be given.

However, this voting prohibition does not prevent the casting of a vote on any of Resolutions 3 and 4(a) to 4(c) if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons.

Resolution	Excluded Parties
Resolution 1(a)	The Placement Participants, being the persons to whom Placement Shares were issued.
Resolution 1(b)	The Placement Participants, being the persons to whom Placement Shares were issued.
Resolution 2	PAC Partners and Taylor Collison, any nominee of PAC Partners and Taylor Collison was granted Options, and any person who will obtain a material benefit as a result of the issue of Options (except a benefit solely by reason of being a holder of Shares).
Resolution 3	Quartz (or its nominee) and Charles Bass (or his nominees) and any Associate of Quartz (or its nominee) and Charles Bass (or his nominees) and any other person who will obtain a material benefit as a result of the issue of Options (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 4(a)	Rick Crabb (or his nominee) and any Associate of Rick Crabb (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Options (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 4(b)	Charles Bass (or his nominee) and any Associate of Charles Bass (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Options (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 4(c)	Roger Port (or his nominee) and any Associate of Roger Port (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Options (except a benefit received solely by reason of being a Shareholder in the Company).

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

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

Proxy Appointment and Voting Instructions

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below, or by fax or email by **on 11am (WST) on Wednesday, 23 September 2020**. A Proxy Form received after that time will not be valid.

Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Appointment of a proxy

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

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

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Share Registry on 1300 850 505 (within Australia) or +61 (3) 9415 4000 (overseas).

Please note, it is recommended Shareholders complete the attached proxy form and send to the Company via the communication methods outlined above.

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

Corporate Shareholders

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

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

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of

appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

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

Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

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

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5pm (WST) on Wednesday, 23 September 2020**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders

Questions for the Board of Directors can be submitted in the same manner as outlined above for the lodgement of Proxy Forms and must be received by no later than **5.00pm (WST) on Friday, 18 September 2020**.

The board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

Copies of written questions will be made available on the Company's website prior to the Meeting.

Explanatory Statement

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

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

This Explanatory Statement should be read in conjunction with the Notice of General Meeting.

Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

1. Resolutions 1(a) and 1(b): Ratification of issue of Tranche 1 Placement Shares to Placement Participants

1.1 Placement

On 21 July 2020, the Company announced that it had received firm commitments from various sophisticated and professional investors (**Placement Participants**) identified by PAC Partners and Taylor Collison (together, **Joint Lead Managers**) to raise \$3,000,000 (before costs) through the issue of 23,076,923 Shares in the Company at an issue price of \$0.13 per Share (**Placement Shares**). The Placement was conducted in tranches comprising the following:

- Tranche 1 - a private placement of 11,486,818 Placement Shares to Placement Participants, at an issue price of \$0.13 per Placement Share, issued pursuant to the Company's "15%" placement capacity under Listing Rule 7.1; and
- Tranche 2 – a private placement of 11,590,105 Placement Shares to Placement Participants, at an issue price of \$0.13 per Placement Share, pursuant to the Company's "10%" additional placement capacity under Listing Rule 7.1A,

together, the **Placement**.

Placement Shares issued under both tranches of the Placement were issued by the Company on 28 July 2020 using its issuing capacities under Listing Rules 7.1 and 7.1A. Subsequent ratification of this issue by Shareholders is sought under Resolutions 1(a) and (b).

1.2 Use of funds raised under the Placement

Funds raised from the Placement will be used to conduct a surface diamond drilling program of approximately 2,000 metres at the Company's high-grade Oracle Ridge Copper Mine Project (**Oracle Ridge**), for the potential acquisition of prospective ground in the vicinity of Oracle Ridge and to provide additional working capital for the Company.

1.3 Requirement for Shareholder approval

As described in Section 1.1 above, the Company has issued a total of 23,076,923 Placement Shares under the Placement to the Placement Participants using its issuing capacities under Listing Rules 7.1 and 7.1A, in the following proportions:

- (a) 11,486,818 Placement Shares pursuant to Listing Rule 7.1; and
- (b) 11,590,105 Placement Shares pursuant to Listing Rule 7.1A.

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

Resolutions 1(a) and 1(b) are ordinary resolutions seeking approval by Shareholders of the ratification of the issue of the Placement Shares.

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

A number of exceptions to Listing Rule 7.1 are set out in Listing Rule 7.2, however the issue of the Placement Shares does not fall within any of these exceptions and effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period from the issue date of the Placement Shares.

A Listing Rule 7.1A mandate allows an entity to increase its 15% limit in Listing Rule 7.1 by an extra 10% if Shareholders approve a special resolution at a company's annual general meeting. The Company's Shareholders approved the extra 10% placement capacity mandate pursuant to Listing Rule 7.1A at the Company's 2019 Annual General Meeting, allowing the Company the ability to place a total of 25% of the fully paid ordinary shares it had on issue at the start of that period.

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

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

To this end, Resolutions 1(a) and (b) seek Shareholder approval for the issue of Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolutions 1(a) and (b) are passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolutions 1(a) and (b) are not passed, the issue of the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

1.4 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolutions 1(a) and 1(b):

(a) Basis on which Placement Participants were identified

In respect of Resolutions 1(a) and 1(b), Placement Shares were issued to Placement Participants, being various sophisticated and professional investors identified by the Joint Lead Managers and who are not Related Parties of the Company.

Each Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10), (11) or (12) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

(b) The number of securities issued

- (i) in respect of Resolution 1(a) – 11,486,818 Placement Shares were issued to Placement Participants under tranche 1 utilising the Company's placement capacity pursuant to Listing Rule 7.1; and
- (ii) in respect of Resolution 1(b) – 11,590,105 Placement Shares were issued to Placement Participants under tranche 2 utilising the Company's additional placement capacity pursuant to Listing Rule 7.1A.

The Placement Shares are fully paid ordinary Shares ranking equally with the Company's existing Shares then on issue.

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

The Placement Shares were issued by the Company on 28 July 2020.

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

For both Resolutions 1(a) and 1(b), the Placement Shares were issued to Placement Participants at an issue price of \$0.13 per Placement Share.

(e) **The use or intended use of the funds raised**

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

(f) **Material terms of the agreement to issue**

The Placement Shares were not issued pursuant to an agreement.

(g) **The voting exclusion statement**

A voting exclusion statement is set out in this Notice under the Voting Exclusion Section on page 4.

1.5 **Directors' recommendation – Resolutions 1(a) and 1(b)**

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

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

2. **Resolution 2: Ratification of the issue Options to Joint Lead Managers**

2.1 **Requirement for Shareholder approval**

Unquoted Options were issued to PAC Partners Securities Pty Ltd (ACN 623 653 912) (**PAC Partners**) and Taylor Collison Limited (ACN 008 172 450) (**Taylor Collison**) (the **Joint Lead Managers**) by the Company on 28 July 2020 using its issuing capacities under Listing Rule 7.1. Subsequent ratification of this issue by Shareholders is sought under Resolutions 2.

None of the Joint Lead Managers are Related Parties of the Company.

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

The issue of the Options to the Joint Lead Managers does not fall within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period from the issue date of the Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have

been approved under Listing Rules 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

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

To this end, Resolution 2 seeks Shareholder approval for the issue of Options to the Joint Lead Managers under and for the purposes of Listing Rule 7.4.

If Resolution 2 is passed, the issue of the Options to the Joint Lead Managers will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the issue of the Options to the Joint Lead Managers will be included in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

2.2 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 2:

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

PAC Partners and Taylor Collison.

The Joint Lead Managers were engaged by the Company to seek out suitable professional and sophisticated investors for the purpose of investing in the Company under the Placement. None of the Joint Lead Managers are Related Parties of the Company.

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

The Company issued a total of 3,846,154 Options to the Joint Lead Managers in equal proportions.

Of the 1,923,077 Options issued to each party, 961,538 Options are exercisable at \$0.20 on or before 30 June 2021 and 961,539 Options are exercisable at \$0.30 between 1 July 2021 and 1 July 2022.

If those Options are exercised into fully paid ordinary Shares of the Company prior to expiry, those Shares will rank equally with all Shares then on issue.

(c) **Summary of material terms of Options**

Terms attaching to the Options are set out in Schedule 1.

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

Options were issued by the Company to the Joint Lead Managers on 28 July 2020.

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

Options were issued to the Joint Lead Managers at a nil issue price as part of a fee for arranging the Placement.

(f) **The use or intended use of the funds raised**

The Company will not raise any funds from the issue of Options to the Joint Lead Managers, however, assuming the Options are exercised, the Company will raise:

- (i) \$384,615.40 from those Options exercisable at \$0.20 each; and
- (ii) \$576,923.10 from those Options exercisable at \$0.30.

(g) **Summary of Lead Manager Mandate**

The Company executed a mandate agreement with PAC Partners and Taylor Collison as Joint Lead Managers. The agreement provides for the Joint Lead Managers to provide advice and to assist with a capital raising on a best endeavour basis.

In addition, it stipulates fees to be charged including a management fee of 2%; an offer fee of 4%; and the issuance of Options on the basis of 1 Option for every 6 Shares issued with 50% exercisable at \$0.20, on or before 30 June 2021, and 50% exercisable at \$0.30, between 1 July 2021 and 1 July 2022.

2.3 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2 as it will enable the Company to issue the Options to the Joint Lead Managers and it will refresh the Company's issuing capacities under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of equity securities, if and as required.

3. Resolution 3: Approval to issue Options to Quartz Mountain Mining Pty Ltd

3.1 Background to Resolution 3

On 28 October 2019, the Company announced that it had entered into an unsecured loan agreement with Quartz Mountain Mining Pty Ltd (ACN 083 007 934) as trustee for the Bass Family Trust (**Quartz**) for the amount of US\$1,000,000 (**Quartz Loan**).

Quartz is an entity associated with Mr Charles Bass, the Managing Director of the Company, and thus a Related Party to the Company.

Under the terms of the Quartz Loan:

- (a) the Company is not restricted on how it may utilise the funds, however the Quartz Loan is intended for general working capital purposes as well as to fund the strategic review of projects and opportunities;
- (b) the term of the loan was 12 months with a maturity date of 27 October 2020;
- (c) the Quartz Loan attracts interest of 2% per annum, however, the first 3 months of the loan term were interest free;
- (d) the Company may repay all or part of the Quartz Loan and any interest at any time prior to maturity date without penalty; and
- (e) the Company requested to draw the entire Quartz Loan amount in one tranche.

As announced by the Company on 21 July 2020, the Company and Quartz have agreed to defer the repayment of the Quartz Loan to 31 December 2021. To maximise available funds for exploration drilling, the parties have agreed, subject to Shareholder approval, that interest payable under the Quartz Loan will be satisfied by the issue of Options to acquire Shares. The amount of interest payable in \$US over the period of the Quartz Loan and until 31 December 2021 is USD \$39,044 which equates to AUD \$54,911 at an exchange rate of 0.71.

Thus, subject to Shareholder approval being obtained for this Resolution, it is proposed that the Company issue 950,000 Options exercisable at \$0.20 on or before 1 July 2022 to satisfy interest payable under the Quartz Loan.

3.2 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that 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:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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 proposed issue of Options to satisfy repayment of interest accrued under the Quartz Loan constitutes the giving a financial benefit for the purposes of the Corporations Act, to Mr Charles Bass as a Related Party of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

3.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 – a related party;
- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 – an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 – a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The issue of Options to Quartz falls within Listing Rule 10.11.4 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolution 3 seeks the required Shareholder approval to issue the Options to Quartz under and for the purposes of Listing Rule 10.11.

If Resolutions 3 is passed, the Company will be able to proceed with the issue of Options to Quartz and satisfy its obligations to pay interest under the Quartz Loan.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of Options to Quartz and will need to satisfy its obligations to pay interest under the Quartz Loan through cash payments which in turn will reduce the amount of the capital the Company has to direct towards its exploration and drilling projects.

3.4 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolution 3 for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) **Names of the Related Party**

The name of the Related Parties is Quartz Mountain Mining Pty Ltd, or its nominee, which is an entity associated with Mr Charles Bass, the Managing Director of the Company.

(b) **Nature of the financial benefit**

The nature of financial benefit that will be given to Quartz (or its nominee) if Resolution 3 is approved is the issue of a total of 950,000 Options exercisable at \$0.20 on or before 1 July 2022.

(c) **Value of the financial benefit**

If Resolution 3 is approved by Shareholders, the Options will be issued to Quartz (or its nominees) for nil consideration.

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (**Black-Scholes Model**).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (i) the exercise price for each Option is \$0.20;
- (ii) each Option has an expiry date of 1 July 2022, and it is assumed that the Options will be exercised immediately prior to the expiry date;
- (iii) the closing price of Shares traded on ASX on 16 July 2020 was \$0.14;
- (iv) a risk-free rate of 0.29% has been adopted;
- (v) a volatility factor of 94% has been adopted.

The table below sets out the estimated value of the Options and the estimated financial benefit to be received by Quartz, applying the above valuation, as at 16 July 2020, the date of the amendment to the Loan terms.

Related Party	Value per Option	Number of Options	Total value
Quartz	\$0.057	950,000	\$54,150

The value of the Options for the Company's accounting purposes will be determined at the time the Options are granted, the value will be directly related to the closing price of Shares traded on the ASX for EM2 on the day of the Meeting, or if no Shares are traded on that day, the price at which the Company's shares most recently traded before that day.

Accordingly, the value of the Options issued to Quartz may differ from the value stated above.

(d) **Remuneration of Mr Bass**

The table below sets out the total remuneration paid or payable to Mr Bass, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2019	Financial year ended 30 June 2020
Charles Bass	\$50,000	\$37,500

(e) **Security holdings of Mr Bass**

The table below sets out the securities and rights in the Company in which Mr Bass has a direct or indirect interest at the date of the Notice. The table does not include Options to be issued to Quartz subject to Shareholder approval of Resolution 3.

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Charles Bass	Nil	48,980,001	Nil	9,665,000 ¹

Notes:

1. 4,500,000 options exercisable at \$0.30 each on or before 7 December 2020; 1,500,000 options exercisable at \$0.20 each on or before 15 January 2023; and 3,665,000 options exercisable at \$0.20 each on or before 31 July 2021, held by Silver Mountain Nominee Pty Ltd as trustee for Silver Mountain Trust, an entity controlled by Mr Bass' spouse.

(f) **Voting interests and voting power of Mr Bass**

The table below sets out details of the respective voting interests of Mr Charles Bass, including how these interests may change upon the events specified in the table occurring.

Event	Shares received	Total Shares held after event	Voting power after event (rounded)
Charles Bass			
Existing Shares held	Nil	48,980,001	42.26%
Exercise of all existing Options	9,665,000	58,645,001	50.59%
Issue of Options (950,000)	Nil	58,645,001	50.59%
Exercise of all existing and issued Options	10,615,000	59,595,001	51.42%

(g) **Dilution**

If Resolution 3 is approved a total of 950,000 Options will be granted to Quartz (or their nominees). The grant of Options to Quartz will not dilute the shareholding interests of existing Shareholders at the time of grant. However, if Quartz exercises those Options into fully paid ordinary Shares of the Company on or before 1 July 2022, shareholding interests of existing Shareholders will be diluted by approximately 0.81%.

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 30 July 2019 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	High	Low	Last
Price	\$0.23	\$0.08	\$0.20
Date	1 October 2019	26 March 2020	10 August 2020

(i) **Funds raised**

Options are proposed to be issued to Quartz (or its nominees) in satisfaction of interest owed by the Company to Quartz pursuant to the Quartz Loan.

Accordingly, the Company will not raise any funds from the issue of Options to Quartz (or its nominees).

(j) **Directors' interests in the proposed resolution**

Charles Bass has a material personal interest in the outcome of Resolution 3 and will be the only Director to receive a benefit from that Resolution.

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolution 3.

3.5 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The name of the person**

Quartz Mountain Mining Pty Ltd

(b) **Which category in rules 10.11.1 – 10.11.5 the person falls and why**

Quartz Mountain Mining is an entity associated with Mr Charles Bass, the Managing Director of the Company and consequently falls under Listing Rule 10.11.4.

(c) **The number and class of securities to be issued to the person**

The Company proposes to issue 950,000 unquoted Options, exercisable at \$0.20 on or before 1 July 2022, to Quartz subject to Shareholder approval of this Resolution.

(d) **The terms of securities**

Refer to Schedule 2 for a summary of the terms attaching to the Options proposed to be issued to Quartz.

(e) **The date on which the company will issue the securities, which must not be more than 1 month after the date of the meeting**

Subject to Shareholder approval, the Company proposes to issue the Options shortly following the Meeting, or otherwise on one date no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(f) **The price or consideration the entity will receive for the issue**

The Options are being issued in satisfaction of outstanding interest payable under the Quartz Loan, thus Options will be issued for nil consideration.

(g) **The purpose of the issue**

Refer to Section 3.1.

(h) **The material terms of an agreement relating to the proposed issue of securities**

The proposed issue of Options to Quartz Mountain is in lieu of interest payable under a loan agreement as described in Section 3.1

(i) **The voting exclusion statement**

A voting exclusion statement is set out in this Notice under the Voting Exclusion Section on page 4.

3.6 Directors' recommendations

Mr Bass has a material personal interest in Resolution 3 and therefore declines to make any voting recommendation to Shareholders in relation to this Resolution.

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

The Directors (other than Mr Bass) consider that the issue of Options to Quartz (or its nominee) is an appropriate method to free up capital that otherwise would have been used to satisfy its obligations to pay interest under the Quartz Loan and direct that capital toward its exploration and drilling projects and working capital requirements.

4. Resolutions 4(a) to 4(c): Approval to issue Options to Directors

4.1 Background

The Company is seeking Shareholder approval to obtain the ability to issue Options to the Company's Directors (for services and support rendered to the Company).

Options are proposed to be issued to the Directors as a way to incentivise their performance and align their interests with those of the Company and its financial success.

Subject to Shareholder approval of Resolutions 4(a) to 4(c), the Company proposes to issue a total of 375,000 Options in the following proportions to Related Parties as follows:

- (a) Mr Rick Crabb – Non-Executive Chairman – 125,000 Options;
- (b) Mr Charles Bass – Managing Director – 125,000 Options; and
- (c) Mr Roger Port – Non-Executive Director – 125,000 Options.

4.2 Section 195(1) of the Corporations Act

Section 195(1) of the Corporations Act provides that a director who has a "material personal interest" in a matter being considered at a director's meeting must not be present while the matter is being considered or vote on the matter.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors may call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the offer of Options under Resolutions 4(a) to 4(c), as Messrs Crabb, Bass and Port, being the only Directors of the Company, have a material personal interest in the outcome of the Resolutions. Therefore, the Board is unable to form a quorum to consider the proposed issue and the

Company is seeking approval under section 195(4) of the Corporations Act to deal with the matter.

4.3 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that 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:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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 offer of Options to the Directors or their nominees, as contemplated by Resolutions 4(a) to 4(c), constitutes the giving a financial benefit for the purposes of the Corporations Act, to each of Messrs Crabb, Bass and Port as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

4.4 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 – a related party;
- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 – an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 – a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The proposed issue of Options to Directors falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 4(a) to 4(c) seek the required shareholder approval for the issue of Options under and for the purposes of Listing Rule 10.11.

If Resolutions 4(a) to 4(c) are passed, the Company will be able to proceed with the issue of Options as a way to incentive its Company officers to continue supporting the Company.

If Resolutions 4(a) to 4(c) are not passed, the Company will not be able to proceed with the issue of Options. In such a scenario, the Company may have to consider other methods to incentivise its officers in order to align the interests of those officers more closely with the Company, its financial success and its Shareholders.

4.5 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 4(a) to 4(c) for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) **Names of the Related Party**

The names of the Related Parties, in respect of Resolutions 4(a) to 4(c), are the Directors, being Mr Rick Crabb, Mr Charles Bass and Mr Roger Port.

(b) **Nature of the financial benefit**

The nature of financial benefit that will be given to the Related Parties (or their nominees) of the Company if Resolutions 4(a) to 4(c) are approved is the issue of Options, being the Option to subscribed for fully paid ordinary Shares in the Company if exercised prior to expiry.

(c) **Value of the financial benefit**

If Resolutions 4(a) to 4(c) are approved by Shareholders, the Options will be issued to the Directors (or their nominees) for nil consideration.

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (**Black-Scholes Model**).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (i) the exercise price for each Option is \$0.20;
- (ii) each Option has an expiry date of 1 July 2022, and it is assumed that the Options will be exercised immediately prior to the expiry date;
- (iii) the closing price of Shares traded on ASX on 30 July was \$0.17;
- (iv) a risk-free rate of 0.29% has been adopted;
- (v) a volatility factor of 94% has been adopted.

The table below sets out the estimated value of the Options and the estimated financial benefit to be received by the Directors, applying the above valuation, as at the date of the Notice of Meeting.

Related Party	Individual value	Number of Options	Total value
Rick Crabb	\$0.077	125,000	\$9,719
Charles Bass	\$0.077	125,000	\$9,719
Roger Port	\$0.077	125,000	\$9,719

The value of the Options for the Company's accounting purposes will be determined at the time the Options are granted. The value will be directly related to the closing price of Shares traded on the ASX for EM2 on the day of the Meeting, or if no Shares are traded on that day, the price at which the Company's shares most recently traded before that day.

Accordingly, the value of the Options issued to the Directors may differ from the value stated above.

(d) **Remuneration of Directors**

The table below sets out the total remuneration paid or payable to Messrs Crabb, Bass and Port, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2019	Financial year ended 30 June 2020
Rick Crabb	\$50,000	\$37,500
Charles Bass	\$50,000	\$37,500
Roger Port	\$50,000	\$37,500

(e) **Security holdings of Directors**

The table below sets out the securities and rights in the Company in which Messrs Crabb, Bass and Port has a direct or indirect interest at the date of the Notice. The table does not include Options proposed to be issued to Messrs Crabb, Bass and Port subject to Shareholder approval of Options proposed to be issued to Directors subject to the Shareholder approval of this Resolution.

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Rick Crabb	Nil	732,000	1,500,000 ¹	61,000 ²
Charles Bass	Nil	48,980,001	Nil	9,665,000 ³
Roger Port	Nil	516,000 ⁴	Nil	1,543,000 ⁴

Notes:

- Options exercisable at \$0.20 each on or before 15 January 2023
- Held by RW & CJ Crabb Pty Ltd as trustee of the Intermax account, of which Mr Crabb is a beneficiary and Westessa Holdings Pty Ltd an entity associated with Mr Crabb.
- 4,500,000 options exercisable at \$0.30 each on or before 7 December 2020; 1,500,000 options exercisable at \$0.20 each on or before 15 January 2023; and 3,665,000 options exercisable at \$0.20 each on or before 31 July 2021, held by Silver Mountain Nominee Pty Ltd as trustee for Silver Mountain Trust, an entity controlled by Mr Bass' spouse.
- Held by Leptiptidium Pty Ltd as trustee for the Maitland No 2 Trust, of which Leptiptidium Pty Ltd is an entity controlled by Mr Port and Mr Port is a beneficiary of the Maitland No 2 Trust; 1,500,000 options exercisable at \$0.20 each on or before 15 January 2023 and 43,000 options exercisable at \$0.20 each on or before 31 July 2021.

(f) **Voting interest and voting power of the Directors**

The table below sets out details of the respective voting interests of Messrs Crabb, Bass and Port, including how these interests may change upon the events specified in the table occurring.

Event	Shares received	Total Shares held after event	Voting power after event (rounded)
Rick Crabb			
Existing Shares held	Nil	732,000	0.53%
Exercise of all existing Options	1,561,000	2,293,000	1.63%
Issue of Options	Nil	2,293,000	1.63%

Exercise of all existing Options and proposed Options	125,000	2,418,000	1.72%
Charles Bass			
Existing Shares held	Nil	48,980,001	35.24%
Exercise of all existing Options	9,665,000	58,645,001	39.45%
Issue of Options	Nil	58,645,001	39.45%
Exercise of all existing Options and proposed Options	125,000	58,770,001	39.50%
Roger Port			
Existing Shares held	Nil	516,000	0.37%
Exercise of all existing Options	1,543,000	2,059,000	1.47%
Issue of Options	Nil	2,059,000	1.47%
Exercise of all existing Options and proposed Options	125,000	2,184,000	1.55%

(g) **Dilution**

If Resolutions 4(a) to 4(c) are approved, a total of 375,000 Options will be granted to Directors Messrs Crabb, Bass and Port (or their nominees). The grant of Options will not dilute the shareholding interests of existing Shareholders unless and until they are exercised into fully paid ordinary Shares. In that eventuality and assuming there are no further issues of equity securities by the Company, upon the exercise of the Options, shareholding interests of existing Shareholders will be diluted by approximately 0.27%.

(h) **Trading history**

Refer to Section 3.4(h) for the Company's trading history.

(i) **Funds raised**

Options are being offered to Directors (or their nominees) as incentives for supporting the Company.

Accordingly, the Company will not raise any funds from the issue of Options to the Directors (or their nominees). However, if the Directors exercise their respective Options, the Company will raise up to \$75,000.

(j) **Directors' interests in the proposed resolution**

The Directors Rick Crabb, Charles Bass and Roger Port have a material personal interest in the outcome of Resolutions 4(a) to 4(c).

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 4(a) to 4(c).

4.6 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The name of the persons**

Rick Crabb, Charles Bass and Roger Port.

(b) **Which category in rules 10.11.1 – 10.11.5 the person falls and why**

The persons fall under Listing Rule 10.11.1 as they are all Directors of the Company.

(c) **The number and class of securities to be issued to the persons**

Refer to Section 4.1

(d) **Details of the Director's current total remuneration package**

Details of the remuneration of the Company's Directors is set out in Sections 3.4(d) and 4.5(d) of this Notice.

(e) **Terms of securities proposed to be issued**

Refer to Schedule 2 for a summary of the terms attaching to the Options.

The Company has decided to issue Options to further align the interests of the Directors with those of the Company and Shareholders. The exercise price of an Option is linked to the performance of the Company, its Directors, officers and employees and its Share price.

Refer to Section 4.5(c) which describes the value attributed to the Options and the basis of this value calculation.

(f) **The date or dates on which the Company will issue the securities to the persons**

Subject to Shareholder approval, the Company proposes to issue the Options shortly following the Meeting, or otherwise on one date no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(g) **The price or consideration the entity will receive for the issue**

Options will be issued to the Directors at a nil issue price in accordance with the terms set out in Schedule 2.

4.7 Directors' recommendation

Each recipient of Options contemplated by Resolutions 4(a) to 4(c) is a Related Party of the Company by virtue of being a Director of the Company.

Accordingly, Rick Crabb, Charles Bass and Roger Port have a material personal interest in the outcome of Resolutions 4(a) to 4(c).

In the interests of good corporate governance, Messrs Crabb, Bass and Port decline to make any recommendations as to how Shareholders should vote on Resolutions 4(a) to 4(c) as they may each acquire a relevant interest in the Options if Resolutions 4(a) to 4(c) are approved.

Glossary of terms

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

Associate	Has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	The Board of Directors of the Company.
Business Day	Has the meaning given to that term in the Listing Rules.
Chairperson	The chair of the General Meeting.
Chief Executive Officer	Mr Tim Mason
Company	Eagle Mountain Mining Limited (ACN 621 541 204).
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
General Meeting or Meeting	The general meeting of Shareholders or any adjournment thereof, convened by the Notice.
Joint Lead Manager	PAC Partners Securities Pty Ltd (ACN 623 653 912) and Taylor Collison Limited (ACN 008 172 450)
Listing Rules	The listing rules of ASX, as amended from time to time.
Managing Director	Mr Charles Bass
Notice or Notice of General Meeting	The notice of general meeting which accompanies this Explanatory Statement.
Option	An option to acquire a Share.
Option Holder	The holder of an Option.
Oracle Ridge	Oracle Ridge Copper Mine.
PAC Partners	PAC Partners Securities Pty Ltd (ACN 623 653 912)
Placement	The placement of 23,076,923 Shares in the Company to the Placement Participants.
Placement Participant	A person to whom Placement Shares have been issued or are to be issued under the Placement.
Placement Share	A Share issued under the Placement.
Proxy Form	The proxy form accompanying the Notice.
Quartz	Quartz Mountain Mining Pty Ltd (ACN 083 007 934)
Quartz Loan	An unsecured loan agreement between the Company and Quartz for the amount of US\$1,000,000.
Related Party	Has the meaning given to that term in the Listing Rules.
Resolution	A resolution set out in the Notice.
Section	A section of the Explanatory Statement.
Securities	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share in the Company.
Taylor Collison	Taylor Collison Limited (ACN 008 172 450)
US\$	United States Dollar.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 1 - Terms of Options granted to the Joint Lead Managers

The terms and conditions of the Options are as follows:

- 1.1 Each Option entitles the holder (**Option Holder**) to subscribe for one (1) fully paid ordinary share in the Company.
- 1.2 No amount is payable on grant of the Options.
- 1.3 The exercise price of Options are as follows:
 - (a) \$0.20 in respect of the first tranche of 961,538 Options issued to each Joint Lead Manager; and
 - (b) \$0.30, in respect of the second tranche of 961,539 Options issued to each Joint Lead Manager
- 1.4 The exercise price of an Option is payable in full on exercise.
- 1.5 Each Option may be exercised at any time before expiry (**Expiry**), being:
 - (a) in respect of the first tranche of 961,538 Options issued to each Joint Lead Manager, 5pm (WST) on 30 June 2021; and
 - (b) in respect of the second tranche of 961,539 Options issued to each Joint Lead Manager, 5.00pm (WST) between 1 July 2021 and 1 July 2022.
- 1.6 Any Option not exercised before Expiry will automatically expire.
- 1.7 The Company must give the Option Holder a certificate or Holding Statement stating:
 - (a) the number of Options issued to the Option Holder;
 - (b) the exercise price of the Options; and
 - (c) the date of issue of the Options.
- 1.8 Subject to quotation on ASX, the Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until the expiry date of the Options. This right is subject to any restrictions on the transfer of Option that may be imposed by ASX.
- 1.9 An instrument of transfer of an Option must be:
 - (a) in writing;
 - (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (c) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (d) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to those Options, the right of the transferor to transfer those Options and the proper execution of the instrument of transfer.
- 1.10 The Company will not apply for quotation of the Options on ASX.

- 1.11 In accordance with the Listing Rules the Company will apply for Official Quotation of all Shares allotted pursuant to an exercise of Options.
- 1.12 There will be no participating entitlements inherent in the Options to participate in new issues of capital that may be offered to Shareholders during the currency of each Option. Prior to any new pro-rata issue of securities to Shareholders, holders of Options will be notified by the Company in accordance with the requirements of the Listing Rules.
- 1.13 In the event of a bonus issue of securities, the number of Shares over which Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
- 1.14 In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.
- 1.15 There is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital (other than a change in accordance with the Listing Rules if there is a bonus issue or a pro rata issue to holders of Shares) during the currency of the Options.
- 1.16 Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Options held by the Option Holder accompanied by an Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified Options. An exercise of only some of the Options will not affect the rights of the Option Holder to the balance of the Options held by him or her.
- 1.17 Options will be deemed to have been exercised on the date the exercise notice is received by the Company.
- 1.18 The Company will allot the resultant Shares and deliver the holding statement within five business days after the exercise of the Option.
- 1.19 Shares allotted pursuant to an exercise of Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company.
- 1.20 These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Schedule 2 – Terms of Options proposed to be granted to Quartz and the Directors

The terms and conditions of the Options are as follows:

- 1.1 Each Option entitles the holder (**Option Holder**) to subscribe for one (1) fully paid ordinary share in the Company.
- 1.2 No amount is payable on grant of the Options.
- 1.3 The exercise price of each Option is \$0.20.
- 1.4 The exercise price of an Option is payable in full on exercise.
- 1.5 Each Option may be exercised at any time before expiry (**Expiry**), being, 5.00pm (WST) on 1 July 2022 (**Expiry Date**).
- 1.6 Any Option not exercised by the Expiry Date will automatically expire.
- 1.7 The Company must give the Option Holder a certificate or Holding Statement stating:
 - (a) the number of Options issued to the Option Holder;
 - (b) the exercise price of the Options; and
 - (c) the date of issue of the Options.
- 1.8 Subject to quotation on ASX, the Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until the expiry date of the Options. This right is subject to any restrictions on the transfer of Options that may be imposed by ASX.
- 1.9 An instrument of transfer of an Option must be:
 - (a) in writing;
 - (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (c) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (d) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to those Options, the right of the transferor to transfer those Options and the proper execution of the instrument of transfer.
- 1.10 The Company will not apply for quotation of the Options on ASX.
- 1.11 In accordance with the Listing Rules the Company will apply for Official Quotation of all Shares allotted pursuant to an exercise of Options.
- 1.12 There will be no participating entitlements inherent in the Options to participate in new issues of capital that may be offered to Shareholders during the currency of each Option. Prior to any new pro-rata issue of securities to Shareholders, holders of Options will be notified by the Company in accordance with the requirements of the Listing Rules.
- 1.13 In the event of a bonus issue of securities, the number of Shares over which Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.

- 1.14 In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.
- 1.15 There is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital (other than a change in accordance with the Listing Rules if there is a bonus issue or a pro rata issue to holders of Shares) during the currency of the Options.
- 1.16 Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Options held by the Option Holder accompanied by an Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified Options. An exercise of only some of the Options will not affect the rights of the Option Holder to the balance of the Options held by him or her.
- 1.17 Options will be deemed to have been exercised on the date the exercise notice is received by the Company.
- 1.18 The Company will allot the resultant Shares and deliver the holding statement within five business days after the exercise of the Option.
- 1.19 Shares allotted pursuant to an exercise of Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company.
- 1.20 These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.



EAGLE MOUNTAIN MINING

21 August 2020

General Meeting Notice and Proxy Form

Dear Shareholder,

Eagle Mountain Mining Limited (ACN 621,541,204) (Eagle Mountain or the Company) is convening a General Meeting (Meeting) to be held at Ground Floor, 22 Stirling Highway, Nedlands, Western Australia 6009 on Friday, 25 September 2020 at 11.00am (AWST).

The Company and the Board are acutely aware of the current circumstances resulting from COVID-19 and the impact it is having, and is likely to continue to have, accordingly, the Board has made the decision that it will hold a physical Meeting with appropriate social gathering and physical distancing measures in place to comply with the State and Federal Government's current restrictions for physical gatherings.

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company will not be dispatching physical copies of the Notice of Meeting (Notice). Instead, a copy of the Notice will be available under the "ASX announcements" section of Eagle Mountain's website. <https://www.eaglemountain.com.au>

As you have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience. Shareholders are encouraged to complete and lodge their proxies online or otherwise in accordance with the instructions set out in the proxy form and the Notice. Your proxy voting instruction must be received by **11.00am (AWST) on Wednesday, 23 September 2020**, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Computershare Investor Services Pty Limited on, 1300 850 505 (within Australia) or +61 (3) 9415 4000 (overseas).

The Company will update shareholders if changing circumstances will impact the planning or arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at www.eaglemountain.com.au. The Company appreciates the understanding of shareholders during this time.

Rick Crabb
Chairman