

Estrella Resources Limited

ACN 151 155 207

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

25 September 2020

10:00 am WST

Mining Corporate Boardroom
Level 11, 216 St Georges Terrace
Perth WA 6000

The Annual Report is available online at www.estrellaresources.com.au.

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 08 9481 0389.

NOTICE OF MEETING

Notice is given that the Annual General Meeting of Shareholders of Estrella Resources Limited ACN 151 155 207 (**Company**) will be held at Level 11, 216 St Georges Terrace Perth WA on Friday 25 September 2020 commencing at 10am WST.

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 5:00pm WST on 23 September 2020.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass as an ordinary resolution the following:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2020 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”

Please note that a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Director – John Kingswood

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

“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, John Kingswood, a Director who was appointed on 6 January 2017, retires by rotation, and being eligible for re-election, is elected as a Director with immediate effect.”

3. Resolution 3 – Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 3 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

4. Resolution 4 – Adoption of Employee Share Option Plan

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

*“That, for the purpose of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval is given for the Company to adopt an employee incentive plan titled “Employee Share Option Plan” (**Plan**) and the issue of securities under the Plan on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 4 (**Resolution**) by or on behalf of:

- (a) any person who is eligible to participate in the Plan; or
- (b) any Associate of any person who is eligible to participate in the Plan.

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

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

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

Provided the Chair is not a excluded party, the above prohibition does not apply if:

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

5. Resolution 5 – Disposal of Munda Gold Project

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

*“That for the purposes of Listing Rule 11.4.1(b) of the ASX Listing Rules and for all other purposes, Shareholders approve the disposal of the Company’s interest in its Munda Gold Project to Widgie Gold Pty Ltd (**Widgie**) (a wholly owned subsidiary of Auric Mining Limited (**Auric**)) (**Disposal**), which Auric intends to acquire to facilitate an initial public offering on the ASX, without an offer, issue or transfer to the Company’s shareholders as referred to in Listing Rule 11.4.1(a) being made, on the terms and conditions set out in the Explanatory Memorandum”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 5 (**Resolution**) by or on behalf of:

- (a) the acquirer of the asset (Widgie) and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of the above acquirer of the asset and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

6. Resolution 6 – Ratification of Tranche 1 Placement Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) 23,749,169 Shares under the Company’s Listing Rule 7.1 capacity; and
- (b) 51,250,831 Shares under the Company’s Listing Rule 7.1A capacity,

*on the terms and conditions set out in the Explanatory Statement, (**Tranche 1 Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 6 (**Resolution**) by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or

- (b) any Associate any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote case in favour of the Resolution by:

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

7. Resolution 7 – Approval for Tranche 2 Placement Shares

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 75,000,000 Shares on the terms and conditions set out in the Explanatory Statement (**Tranche 2 Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 7 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote case in favour of the Resolution by:

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

8. Resolution 8 - Approval of Free-Attaching Placement Options (Tranche 1 and Tranche 2)

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 150,000,000 free-attaching New Listed Options, as set out below, on the terms and conditions set out in the Explanatory Statement:

- (a) 75,000,000 New Listed Options free-attaching to the Tranche 1 Placement Shares on a 1:1 basis; and
- (b) 75,000,000 New Listed Options free-attaching to the Tranche 2 Placement Shares on a 1:1 basis,

(Attaching Placement Options).”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 8 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

9. Resolution 9 – Approval for Unrelated Party Participation in Company Placement (Shares and Options)

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 49,500,000 Shares and 49,500,000 free-attaching New Listed Options on the terms and conditions set out in the Explanatory Statement (**Unrelated Company Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 9 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

10. Resolution 10 – Approval of Related Party Participation in Company Placement (Shares and Options)

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

*“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 500,000 Shares and 500,000 free-attaching New Listed Options to Les Pereira (and/or nominee), on the terms and conditions set out in the Explanatory Statement (**Related Party Company Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 10 (**Resolution**) by or on behalf of:

- (a) Les Pereira who is to receive the securities (being the Related Party set out in the explanatory memorandum) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of Les Pereira who is to receive the securities (the Related Party set out in the explanatory memorandum) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

Provided the Chair is not a excluded party, the above prohibition does not apply if:

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

11. Resolution 11 – Approval of Unrelated Party Participation in Options Placement

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 177,500,000 New Listed Options, as set out below, on the terms and conditions set out in the Explanatory statement (**Unrelated Options Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 11 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

12. Resolution 12 – Approval of Related Party Participation in Options Placement

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

“That, for the purpose of section 195(4) of the Corporations Act,, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 22,500,000 New Listed Options to Related Parties on the following basis:

- (a) 2,500,000 New Listed Options to Director, Les Pereira (and/or nominee); and
- (b) 20,000,000 New Listed Options to Director, John Kingswood (and/or nominee),

*and otherwise on the terms and conditions set out in the Explanatory Statement (**Related Party Options Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 12 (**Resolution**) by or on behalf of:

- (a) any person who is to receive the securities (the Related Parties set out in the explanatory memorandum) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of any person who is to receive the securities (the Related Parties set out in the explanatory memorandum) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

Provided the Chair is not a excluded party, the above prohibition does not apply if:

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

13. Resolution 13 - Ratification of Issue of Convertible Notes

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of the Convertible Notes, and the issue of the maximum number of 56,448,000 Shares under the Convertible Notes, on the terms and conditions and in the manner set out in the Explanatory Memorandum”.

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 13 (**Resolution**) by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate any person who participated in the issue (or is a counterparty to the agreement being approved).

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

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

Dated 24 August 2020

BY ORDER OF THE BOARD

David McEntaggart
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 11, 216 St Georges Terrace Perth WA on Friday 25 September 2020 commencing at 10am WST.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. 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 thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and 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.

Shareholders and their proxies should be aware that:

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

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
- (e) the proxy is not recorded as attending the meeting;
- (f) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy:
- (c) does not specify the way the proxy is to vote on Resolution 1; and
- (d) expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

2.3 Corporate Representatives

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative must bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

2.4 Submit your Proxy Vote Online

Vote online at <https://investor.automic.com.au/#/loginsah>, and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.5 Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

BY MAIL	IN PERSON	BY EMAIL
Automic	Automic	meetings@automicgroup.com.au
GPO Box 5193	Level 5, 126 Phillip Street	
Sydney NSW 2001	Sydney NSW 2000	

2.6 Voting in Person

To vote in person, Shareholders are able to attend the Meeting at the time, date and place set out above. In light of on the status of the evolving COVID-19 situation and easing of Government restrictions on public gatherings in place at the time of the Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Director's changes prior to the Meeting, the Directors will update Shareholders via the Company's ASX platform.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 08 9481 0389.

3. Annual Report

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

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is available online at www.estrellaresources.com.au;
- (b) ask questions or make comment on the management of the Company;

- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and the content of the Auditor's Report; and
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to 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.

4. Resolution 1 – Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to 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 reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act also gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a 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 will cease to hold office immediately before that further meeting but may stand for re-election.

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

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

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting 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, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. Resolution 2 – Re-election of Director – John Kingswood

Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election.

The Company currently has three non-executive Directors and accordingly one must retire.

John Kingswood (**Mr Kingswood**) will retire in accordance with clause 14.2 of the Constitution and being eligible, seeks re-election.

Details of Mr Kingswood's background and experience is set out in the Annual Report.

The Board (excluding Mr Kingswood) recommends that Shareholders vote in favour of Resolution 2. The Chair of the meeting intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements commencing from the date of the Meeting where the Company obtains the approval until the earlier of the following:

- (a) The date that is 12 months after the date of the Meeting at which the approval is obtained;
- (b) The time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval of Shareholders of a transaction under Listing Rule 11.1.2 or 11.2 in respect of the Company,

(10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company currently has a market capitalisation of \$7.31million and is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer Section 6.2(c) below).

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares (ASX: ESR) and Listed Options (ASX: ESRO).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting any issue or agree to issue, during the 12 month period after the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is number of shares on issue at the commencement of the relevant period:

- (A) plus the number of fully paid shares issued in relevant period under an exception in Listing Rule 7.2;
- (B) plus the number of fully paid shares issued in relevant period on conversion of convertible securities within Listing Rule 7.2 Exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (2) the issue of, or agreement to issue, the convertible securities approved, or taken to have been approved, under Listing Rule 7.1 or 7.4;
- (C) plus the number of fully paid shares issued in relevant period under an agreement to issue securities within Listing Rule 7.2 Exception 16 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (2) the issue of, or agreement to issue, the convertible securities approved, or taken to have been approved, under Listing Rule 7.1 or 7.4;

- (D) plus the number of partly paid shares that became fully paid in the 12 months;
- (E) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (F) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1A and Listing Rule 7.3A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 609,647,797 Shares and therefore has a capacity to issue:

- (i) 91,447,169 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 3, 60,964,779 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or

- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

6.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires 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) on the Resolution.

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than of the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

The table shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue.

The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.006 50% decrease in Issue Price	\$0.012 Issue Price	\$0.024 100% increase in Issue Price
Current Variable "A" 609,647,797 Shares	10% Voting Dilution	60,964,781 Shares	60,964,781 Shares	60,964,781 Shares
	Funds raised	\$365,789	\$731,577	\$1,463,155
50% increase in current Variable "A" 914,471,696 Shares	10% Voting Dilution	91,447,170 Shares	91,447,170 Shares	91,447,170 Shares
	Funds raised	\$548,683	\$1,097,366	\$2,194,732
100% increase in current Variable "A" 1,219,295,594 Shares	10% Voting Dilution	121,929,559 Shares	121,929,559 Shares	121,929,559 Shares
	Funds raised	\$731,577	\$1,463,155	\$2,926,309

Note

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is \$0.012, being the closing price of the Shares on ASX on 7 August 2020.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

- (d) The Company may seek to issue the Equity Securities for the following purposes cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and general working capital.

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

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

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

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not Related Parties or associates of a Related Party of the Company.

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 19 November 2019. In the 12 months preceding the date of the 2020 Annual General Meeting, the Company issued a total of 51,250,831 Equity Securities, representing 9.5% of the total number of Equity Securities on issue at 19 November 2019. Details of the Equity Securities issued in the preceding 12 month period are set out in Schedule 2.
- (f) For the purpose of ASX Listing Rule 14.1A (and in addition to the disclosure in clause 6.4(b) above):
- (i) if Resolution 3 is passed, the Directors will be able issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1; and
 - (ii) if Resolution 3 is not passed, the Directors will not be able issue the Equity Securities under Listing Rule 7.1A, and will have to either rely on its existing 15% placement capacity under Listing Rule 7.1 (from time to time), or (in the event that the Company's 15% placement capacity is exhausted) the Company will be required to obtain prior shareholder approval under Listing Rules 7.1 before being able to issue such Equity Securities (which may result in the Company incurring further time and expense).

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

The Directors of the Company believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

7. Resolution 4 – Adoption of Employee Share Option Plan

7.1 General

Resolution 4 seeks Shareholders approval to refresh the employee incentive plan titled Employee Share Option Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 13).

At the 26 April 2018 Annual General Meeting, the Shareholders approved the adoption of the Plan. This approval is due to lapse in April 2021.

The Plan is intended to assist the Company to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of securities under the Plan will provide selected Directors (executive or non-executive, and permitted employees and contractors of the Company with the opportunity to participate in the future growth of the Company. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

- (a) enable the Company to incentivise and retain existing key management personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
- (b) enable the Company to recruit, incentivise and retain additional key management personnel, and other eligible employees and contractors, needed to achieve the Company's business objectives;
- (c) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
- (d) align the financial interest of participants of the Plan with those of Shareholders; and
- (e) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

A copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

7.2 ASX Listing Rules 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 13) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of an additional 3 years (from Resolutions four's approval), without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Any future issues of Securities under the Plan to a Related Party or a person (for example Directors and their Associates) whose relation with the company or the Related Party is, in

ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

7.3 Specific Information Required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2, Exception 13(b), the following information is provided:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 5:
- (b) since the Plan was last approved under Listing Rule 7.2, Exception 13(b) on 26 April 2018, the Company has issued 19,500,000 equity securities under the Plan approved in April 2018, comprised of:
 - (i) 14,000,000 options on 21 November 2019; and
 - (ii) 5,500,000 options on 26 April 2018;
- (c) the maximum number of Securities proposed to be issued under the Plan within the three year period from the date of the passing of this Resolution 4 is 30,482,390, being 5% of the undiluted Shares in the Company as at the date of this Notice. The maximum number (of 30,482,390) is not intended to be a prediction of the actual number of Securities to be issued under the Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b));
- (d) a voting exclusion statement in respect of Resolution 4 has been included in the Notice.

The Directors of the Company believe Resolution 4 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

8. Resolution 5 – Disposal of Munda Gold Project

8.1 Background

On 16 June 2020, the Company announced its intention to sell the Munda Gold Project (tenement M15/87) which is held by the Company's wholly owned subsidiary WA Nickel Pty Ltd (**WA Nickel**). On 13 July 2020 the Company announced that it had entered into a Binding Offer Letter to dispose of the Munda Project to Widgie Gold Pty Ltd (**Widgie**) a wholly owned subsidiary for Auric Mining Limited (being an entity which is not related to the Company or its Directors) (**Auric**) (**Transaction**).

The purpose of the Transaction is to:

- (a) allow the Company to focus its efforts solely on its flagship asset the Carr Boyd Nickel Copper Project; and
- (b) raise funds to contribute towards the drilling of the Carr Boyd Nickel Project.

Widgie is a wholly owned subsidiary of Auric Mining Limited (**Auric**). Auric intends to acquire the Munda Gold Project and subsequently, undertake an initial public offering of shares in Auric to facilitate an admission to the ASX. Accordingly, Resolution 5 seeks Shareholder's approval for the purposes of Listing Rule 11.4.1(b) for the Disposal of the Company's interest in the Munda Gold Project (via the sale of M15/87 under the Transaction), without an offer, issue or transfer to the Shareholders as referred to in Listing rule 11.4.1(a) being made.

8.2 Company Assets

The Company's assets include:

- (c) the Munda Gold Project (via WA Nickel);
- (d) the Carr Boyd Nickel Project (via Carr Boyd Nickel Pty Ltd); and
- (e) the Spargoville Nickel Project (via WA Nickel).

The Company's Disposal of the Munda Gold Project will not detract in any way from the Company's remaining assets.

8.2.1 Value of the Munda Gold Project

The Company estimates that the \$1,100,000 upfront consideration for the sale (pursuant to the Transaction) is the current market value of the Munda Gold Project Asset. However, there is additional value upside in respect of the Project subject to further exploration results, which is reflected in the deferred consideration outlined in 8.3.1 (c) and (d) below.

8.3 Material Transaction Terms

8.3.1 Consideration

Under the Binding Offer Letter, the Company is expected to receive up to \$1,750,000 consideration (**Consideration**) for the sale of the Munda Gold Project to Widgie, as follows:

- (a) \$10,000 non-refundable cash deposit (which amount has been paid by Auric);
- (b) \$1,090,000 cash on Settlement (defined below);
- (c) following Settlement but not earlier than 1 April 2021, \$350,000 cash subject to the Munda Gold Project reaching a total combined gold mined and unmined inferred resource (at a cut-off of 1.0g/t) of 75,000 ounces post the date of the Binding Offer Letter; and
- (d) following Settlement but not earlier than 1 October 2021, \$300,000 cash subject to the Munda Gold Project reaching a total combined gold mined and unmined inferred resource (at a cut-off of 1.0g/t) of 100,000 ounces post the date of the Binding Offer Letter.

It is not intended that the Company will receive any securities in Widgie or Auric under this Transaction.

8.3.2 Conditions

Settlement of the Transaction (**Settlement**) is subject to a number of conditions precedent (**Conditions**) including the following key Conditions:

- (a) completion of material due diligence by Auric on the Munda Gold Project (which condition has been completed);
- (b) entry into a formal tenement sale agreement by the parties to the Binding Offer Letter;
- (c) the Company providing Auric with all mining expenditure data and invoices (if required) to support the \$1,100,000 upfront cash consideration which is payment for acquisition and exploration costs incurred by the Company in respect of the Munda Gold Project; and

- (d) the Company obtaining all necessary third-party consents to the transfer of the Munda Gold Project.

8.3.3 Other Terms

- (a) The Transaction under the Binding Offer Letter contains other terms, conditions, warranties and obligations which are standard for an agreement of this nature.
- (b) Settlement of the Transaction is expected to occur two days after Shareholder approval is obtained under this Notice (or as otherwise agreed by the parties to the Transaction).

8.4 Widgie and Auric

(a) Subject to Change

In accordance with the ASX Listing Rules, the Company provides Shareholders with information given by Auric in respect of its intentions to undertake an initial public offering (**IPO**) to facilitate an admission to the official list of the ASX. However, Shareholders are advised that Auric is in the early development stage of this process and all information provided in this Notice regarding Auric's IPO and admission plans is indicative only and accordingly, is subject to change.

(b) IPO

As at the date of this Notice, Auric proposes to conduct an IPO and to seek a listing on the ASX by around 30 November 2020.

(c) Indicative Capital Structure

Auric's indicative capital structure after completion of the Transaction, both before and after the IPO is set out below:

	Pre-IPO completion Transaction)	(assuming of the the	Post-IPO completion Transaction)	(assuming of the the
Auric Shares	56,000,000		83,000,000	
Other Securities	14,000,000		28,000,000	

No changes are proposed to be made to the Company's capital structure as a result of the Transaction or the IPO, and Shareholders will not be subject to any dilution as no securities are being issued by the Company under the Binding Offer Letter.

(d) Participation

The Company advises Shareholders that they will be able to participate in Auric's IPO however they will not be given any priority offer under the IPO, nor will any in-specie distribution of securities be made to Shareholders.

8.5 Listing Rule 11.4

Under Listing Rules 11.4 and 11.4.1, a listed company can only spin out a major asset if:

- (a) the securities in the spin-out vehicle (other than those being retained by the company/trust itself) are being offered, issued or transferred pro rata to the holders of the ordinary shares in the company, or in another way that, in ASX's opinion, is fair in all the circumstances; or
- (b) the company's shareholder approve the spin out.

Notwithstanding the Transaction is merely a disposal to an unrelated party, the Transaction is regarded as a spin-out of a major asset for the purposes of Listing Rule 11.4 and as paragraph (a) above does not apply, it is a requirement that Company's shareholders approve the Transaction under paragraph (b) above for the Transaction to proceed.

Resolution 5 seeks the required shareholder approval to the Transaction under and for the purposes of Listing Rule 11.4.1(b). If Resolution 5 is passed, the Company will be able to proceed with the Transaction pursuant to the terms and conditions of the Binding Offer Letter and the Company will be able to focus on the Carr Boyd Nickel Project and Spargoville Project. If Resolution 5 is not passed, the Company will not be able to proceed with the Transaction under the Binding Offer Letter and will continue to proceed with its focus on the Carr Boyd Nickel Project and Spargoville Project, whilst looking for divestment opportunities in respect of the Munda Project.

Resolution 5 contains a voting exclusion statement.

8.6 Advantages and Disadvantages of the Disposal

The Directors have assessed the advantages and disadvantages of the proposed Disposal (as set out below) and are of the view that the advantages outweigh the disadvantages. Accordingly, the Directors believe the Disposal is in the best interests of the Company.

8.6.1 Advantages

- (a) **Access to capital:** Settlement of the Transaction will result in the Company receiving \$1,090,000 upfront cash consideration, which the Company intends to apply towards the Carr Boyd Nickel Project and working capital. If Auric's future exploration on the Munda Gold Project achieves the particular milestones specified in 8.3.1(c) and (d), the Company will then be entitled to receive further cash consideration.
- (b) **Refocus:** Disposal of the Munda Gold Project will permit the Company to devote future time, attention and resources in focusing on the Carr Boyd Nickel Project, which the Company considers to be its core asset with potential to generate return for Shareholders; and
- (c) **Refocus:** Disposal of the Munda Gold Project will permit the Company to devote future time, attention and resources to the Spargoville Nickel Project, which the Company considers to have significant development potential to generate return for Shareholders.

8.6.2 Disadvantages

- (a) **No longer an owner of the Munda Gold Project:** The Company will no longer be the owner of the Munda Gold Project, and the Company will retain no interest in the exploration upside of this asset.
- (b) **Conditional IPO:** A listing on the ASX is subject to various regulatory requirements and conditions. There is no guarantee the IPO will be successful or that Shareholder will be able to participate in the IPO or that they will realise value in any securities

they acquire in Auric under the IPO. For the avoidance of doubt, the Company advises that no priority offer or in-specie distribution is being made to Shareholders.

- (c) **Nickel focus:** The Company will no longer have a both gold and nickel prospective assets. The remaining assets prospectively are nickel focused.

8.7 Future Direction

Following Settlement of the Transaction, the Company will amongst other things:

- (a) apply part of the cash consideration from the Transaction to drilling on the Carr Boyd Nickel Project;
- (b) apply part of the cash consideration to work up a development strategy for the high-grade nickel resource at the Spargoville Nickel Project;
- (c) undertake due diligence on, new opportunities which the Board considers are consistent with the Company's existing activities that have the potential to generate return to Shareholders.

8.8 Additional information

Resolution 5 is an ordinary resolution.

The Board believes Resolution 5 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

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

9. Resolution 6 – Ratification of Tranche 1 Placement Shares

9.1 Background

9.1.1 Capital Raising Activities

On 3 August 2020, the Company announced a series of placements for a total value of \$1.4million (**Capital Raising**). The Capital Raising comprises of the following:

- (a) a placement of up to 150,000,000 Shares at an issue price of \$0.007 per share (**Placement Shares**), to raise up to \$1,050,000 (before costs) by way of two tranches in the amounts as follows:
 - (i) tranche one: 75,000,000 Placement Shares (pursuant to existing available 7.1 and 7.1A capacity) (**Tranche 1**);
 - (ii) tranche two: 75,000,000 Placement Shares (subject to Shareholder approval) (**Tranche 2**), and

with free-attaching new listed Options in the Company on a 1:1 basis (**Attaching Placement Options**) exercisable at \$0.02 on or before 31 July 2023 on the terms and conditions set out in Schedule 3 and which the Company intends to seek quotation of in due course (**New Listed Options**) (subject to Shareholder approval) (**Placement**).

- (b) a placement of up to 50,000,000 Shares at an issue price of \$0.007 per share to raise up to \$350,000, with free attaching option New Listed Options on a 1:1 basis (subject to Shareholder approval) (**Company Placement**).

- (c) a placement of up to 200,000,000 New Listed Options at an issue price of \$0.0001 per option to raise up to \$20,000 (**Options Placement**).

The Placement and Options Placement are being managed by CPS Capital Group Pty Ltd, who will receive a:

- (d) 2% management fee (calculated on the sum of all funds raised under the Placement and the Options Placement) payable by way of \$28,400; and
- (e) a 4% placement fee (calculated on the sum of all funds raised under the Placement and the Options Placement) payable by way of \$56,800 .

9.1.2 Purpose and Use of Funds

The primary purpose of the Capital Raising is to raise funds to commence drilling activities at the Company's Carr Boyd Nickel Project, as announced on 16 June 2020, to continue the development strategy at the Spargoville Nickel Project and for general working capital. The drilling on the Carr Boyd Nickel Project is due to commence on 10 August 2020.

Indicative Proposed Use of Funds	
Purpose	Amounts
Exploration activities at Carr Boyd Nickel Project	\$800,000
Exploration activities at Spargoville Nickel Project	\$150,000
Costs of the Placement (including CPS Management and Placement Fee)	\$102,158
General Working Capital	\$367,842
Total Capital Raising	\$1,420,000

9.1.3 Related Party Participation

Related Parties of the Company are intending to participate in the Company Placement (see Resolution 10), subject to shareholder approvals.

Accordingly, this Notice sets out separate approvals under Listing Rule 10.11 for the portions of the Company Placement (Resolution 10) and the Options Placement (Resolution 12) intended to be taken up by Related Parties.

9.2 General

On 7 August 2020, the Company announced the completion of Tranche 1 of the Placement, being 75,000,000 Tranche 1 Placement Shares at an issue price of \$0.007 per share to raise up to \$525,000 (before costs) (**Tranche 1 Placement**).

The Company issued the Placement Shares the subject of the Tranche 1 without prior Shareholder approval, out of its 15% annual placement capacity and additional and 10% annual placement capacity (23,749,169 under Listing Rule 7.1 and 51,250,831 under Listing

Rule 7.1A), however, the issue of the Options remains subject to Shareholder approval (and is the subject of Resolution 8(a)).

The Tranche 1 Placement Shares were not placed with any Related Parties of the Company nor any of their associates.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the previous issue of those Tranche 1 Placement Shares.

9.2.1 ASX Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), 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 securities it had on issue at the start of that period. The Tranche 1 Placement does not fit within any of the exceptions in Listing Rule 7.2 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 following the issue date.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 6 seeks Shareholder approval to the Tranche 1 Placement under and for the purposes of Listing Rule 7.4.

If Resolution 6 is passed, the Tranche 1 Placement issue 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 6 is not passed, the Tranche 1 Placement issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

9.2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rules 7.1 and 7.1A):

- (a) the Tranche 1 Placement Shares were issued to clients of CPS Capital Group who are sophisticated investors exempt under section 708 of the Corporations Act. One of the subscribers for the Tranche 1 Placement Shares was Jason Peterson (the managing director of CPS Capital Group) who is a substantial shareholder of the Company at the date of this Notice (holding 5.01%). None of these subscribers are Related Parties of the Company (Please note that CPS Capital Group will receive fees for the placement of these Securities as specified in section 9.1.1);

- (b) a total of 75,000,000 Shares were issued, with 23,749,169 under Listing Rule 7.1 (which are the subject of Resolution 6(a)) and 51,250,831 under Listing Rule 7.1A (which are the subject of Resolution 6(b))(of these issues, Mr Peterson subscribed for 27,142,857 Shares). The Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Tranche 1 Placement Shares were issued on 7 August 2020;
- (d) the issue price was \$0.007 per Share;
- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 9.1;
- (f) the issue of the Tranche 1 Placement Shares is not pursuant to an agreement; and
- (g) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue Tranche 1 Placement Shares and their associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 6 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

10. Resolution 7 - Approval for Tranche 2 Placement Shares

10.1 Background

As set out in Section 9.1, as a part of the Capital Raising the Company seeks to make a Placement, comprised of two 75,000,000 Shares tranches. This Notice seeks ratification of Tranche 1 under Resolution 6 and seeks separate approvals for the Company's issuance of the Tranche 2, by way of Resolution 7 - approval for Tranche 2 Placement Shares.

The Company is also seeking Shareholder approval for the free-attaching New Listed Options to the Placement Shares under Resolution 8 - approval for Free Attaching Placement Options in respect of Tranche 1 and Tranche 2 of the Placement.

10.2 General

Resolution 7 seeks Shareholder approval for the issue of up to 75,000,000 Tranche 2 Placement Shares at an issue price of \$0.007 per Share, to raise up to \$525,000 (before costs), as set out in Section 9.1 above (**Tranche 2 Placement**).

The Company seeks to issue the Placement Shares the subject of the Tranche 2 with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

The Tranche 2 Placement Shares will not be issued to Related Parties of the Company.

Resolution 7 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those Tranche 2 Placement Shares.

10.3 ASX Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), 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 securities it had on issue at the start of that period. The Tranche 2 Placement does not fit within any of the exceptions in Listing Rule 7.2 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 following the issue date.

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

If Resolution 7 is passed, the Company will be able to proceed with the Tranche 2 Placement and will issue 75,000,000 Tranche 2 Placement Shares and raise the corresponding funds. In addition, the Tranche 2 Placement will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed with the Tranche 2 Placement and will not issue the 75,000,000 Tranche 2 Placement Shares and will not raise the corresponding funds.

10.3.1 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Shares:

- (a) the Tranche 2 Placement Shares will be issued to clients of CPS Capital Group who are sophisticated investors, being investors exempt under section 708 of the Corporations Act. At the date of this Notice, it is intended that one of the subscribers under the Tranche 2 Placement Shares will be Jason Peterson (the managing director of CPS Capital Group) who is a substantial shareholder of the Company at the date of this Notice (holding 5.01%). There are no Related Parties participating in this Tranche 2 Placement (Please note that CPS Capital Group will receive fees for the placement of these Securities as specified in section 9.1.1);
- (b) 75,000,000 Shares will be issued, the Tranche 2 Placement Shares will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares (of this issue, it is currently intended that Mr Peterson subscribe for 7,142,858 Shares);
- (c) the Tranche 2 Placement Shares will be issued on or about 25 September 2020 and otherwise not later than 3 months after the date of the Meeting;
- (d) the issue price is \$0.007 per Share;
- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 9.1;
- (f) the Tranche 2 Placement Shares are not being issued under an agreement;
- (g) the Tranche 2 Placement Shares are not being issued under or to fund a reverse takeover; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 7 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

11. Resolution 8 - Approval of Free Attaching Placement Options (Tranche 1 and Tranche 2)

11.1 General

Resolution 8 seeks Shareholder approval for the issue of up to 150,000,000 New Listed Options, being options exercisable at \$0.02 on or before 31 July 2023 free attaching to the Tranche 1 Placement Shares and Tranche 2 Placement Shares to unrelated parties on a 1:1 basis, as set out in Section 9.1 above (**Attaching Placement Options**).

The Company seeks to issue the New Listed Options the subject of the Attaching Placement Options with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

The Attaching Placement Options will not be issued to Related Parties of the Company.

Resolution 8 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those Attaching Placement Options.

11.1.1 ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in section 10.3 above.

Resolution 8 seeks the required Shareholder approval to the issue the Attaching Placement Options under and for the purposes of Listing Rule 7.1

If Resolution 8 is passed, the Company will be able to proceed to issue the 150,000,000 New Listed Options as free-attaching to the Tranche 1 Placement Shares and Tranche 2 Placement Shares. In addition, the Attaching Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the Attaching Placement Options and will not issue the 150,000,000 New Listed Options as free-attaching to the Tranche 1 Placement Shares and Tranche 2 Placement Shares to unrelated parties.

11.1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the ratification of the Shares:

- (a) the Attaching Placement Options will be issued to the participants in the Placement (see sections 9.2.2(a) and 10.3.1(a) above).
- (b) 150,000,000 New Listed Options will be issued as a new class of options, exercisable at \$0.02 on or before 31 July 2023, on the terms and conditions set out in Schedule 3 and subject to ASX quotation requirements (of this issue, Mr Peterson the managing director of CPS Capital Group who is a substantial shareholder of the Company at the date of this Notice (holding 5.01%) will receive a total of 34,285,715 Options in respect of his participation in the Tranche 1 Placement (27,142,857 Options) and the Tranche 2 Placement (7,142,858 Options);

- (c) the Attaching Placement Options will be issued on or about 25 September 2020 and otherwise not later than 3 months after the date of the Meeting;
- (d) the issue price is nil per New Listed Options as they are free-attaching to the Shares issued under the Placement ;
- (e) the purpose of this issue is as set out in Section 9.1, no funds are being raised from the issue of the Attaching Placement Options as they are free-attaching to the Placement Shares;
- (f) the Attaching Placement Options are not being issued under an agreement;
- (g) the Attaching Placement Options are not being issued under or to fund a reverse takeover; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 8 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

12. Resolution 9 - Approval of Unrelated Party Participation in Company Placement (Shares and Options)

12.1 General

The Company seeks Shareholder approval for the issue of up to 50,000,000 Shares (**Company Placement Shares**) at an issue price of \$0.007 per Share to raise up to \$350,000 with up to 50,000,000 New Listed Options, being options exercisable at \$0.02 on or before 31 July 2023, free-attaching one a 1:1 basis (**Company Placement**).

Part of the Company Placement will be issued to unrelated parties. Accordingly, Resolution 9 seeks Shareholder approval for the issue of up to 49,500,000 Shares (**Unrelated Company Placement Shares**) with up to 49,500,000 New Listed Options, free-attaching on a 1:1 basis to unrelated parties under Listing Rule 7.1.

The other part of the Company Placement will be issued to related parties of the Company. Accordingly, Resolution 10 seeks Shareholder approval for the issue of up to 500,000 Shares (**Related Company Placement Shares**) with up to 500,000 New Listed Options, free-attaching on a 1:1 basis to related parties under Listing Rule 10.11.

Under this Resolution 9, the Company seeks to issue the New Listed Options the subject of the Company Placement with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

Resolution 9 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Unrelated Company Placement Shares and free-attaching New Listed Options under the Company Placement.

12.2 ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in section 10.3 above.

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

Resolution 9 seeks the required Shareholder approval to the issue the Unrelated Company Placement Shares and New Listed Options under the Company Placement under and for the purposes of Listing Rule 7.1

If Resolution 9 is passed, the Company will be able to proceed with the issue of up to 49,500,000 Unrelated Company Placement Shares and 49,500,000 free-attaching New Listed Options to unrelated parties. The issue of the Unrelated Company Placement Shares and free attaching New Listed Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the Company Placement.

12.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the approval of the Shares:

- (a) the Unrelated Company Placement Shares and free attaching New Listed Options will be issued to existing Shareholders of the Company and strategic investors identified by the Company, being investors exempt under section 708 of the Corporations Act. The subscribers of the Unrelated Company Placement Shares and free attaching New Listed Options are not Related Parties of the Company;
- (b) up to:
 - (i) 49,500,000 Company Placement Shares will be issued being fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
 - (ii) 49,500,000 New Listed Options will be issued as a new class of listed options, exercisable at \$0.02 on or before 31 July 2023, on the terms and conditions set out in Schedule 3 and subject to ASX quotation requirements;
- (c) the Unrelated Company Placement Shares and free attaching New Listed Options will be issued on or about 25 September 2020 and otherwise not later than 3 months after the date of the Meeting;
- (d) the issue price is \$0.007 per Unrelated Company Placement Share and there is no issue price is applicable to the New Listed Options which are free-attaching to the Company Placement Shares;
- (e) the purpose of the Company Placement is as set out in Section 9.1 and it will raise up to \$350,000, which shall be used as set out in is as set out in Section 9.1;
- (f) the Unrelated Company Placement Shares and New Listed Options under being issued as part of the Company Placement are not being issued under an agreement;
- (g) the Unrelated Company Placement Shares and New Listed Options are not being issued under or to fund a reverse takeover; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 9 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

13. Resolution 10 - Approval of Related Party Participation in Company Placement (Shares and Options)

13.1 General

Please review section 12.1 for an overview of the Company Placement, the Related Company Placement Shares and the free attaching New Listed Options.

13.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

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

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

The Related Parties participation in the Company Placement will result in the giving of a financial benefit and Les Pereira is a Related Party of the Company by virtue of being a Director of the Company.

The Directors (other than Les Pereira who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Related Company Placement Shares and free attaching New Listed Options because the Securities will be issued to Les Pereira (and/or his nominee) on the same terms as the Securities issued to non-Related Party participants in the Company Placement and as such the giving of the financial benefit is on arm's length terms.

13.3 ASX Listing Rule 10.11

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

As the Related Party participation in the Company Placement involves the issue of Shares and New Listed Options to Related Parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

13.4 Technical Information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Related Party participation in the Company Placement:

- (a) the Related Company Placement Shares and free-attaching New Listed Options in respect of the Related Party participation in the Company Placement will be issued to Les Pereira (and/or nominees);
- (b) Les Pereira falls under Listing Rule 10.11.1 as a Related Party because he is a Director of the Company;

- (c) under this Resolution, the maximum number of Securities to be issued to Les Pereira (and/or his nominee) is:
 - (i) 500,000 Related Company Placement Shares, being fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
 - (ii) 500,000 free-attaching New Listed Options, which will be issued as a new class of listed options, exercisable at \$0.02 on or before 31 July 2023, on the terms and conditions set out in Schedule 3 and subject to ASX quotation requirements;
- (d) the Shares and New Listed Options under the this Resolution will be issued on or about 25 September 2020 and otherwise no later than 1 month after the date of the Meeting and it is intended that the issue will occur on the same date;
- (e) the issue price will be \$0.007 per Share, being the same issue price as all other Shares issued under the Company Placement and a nil issue price for the New Listed Options as they are free-attaching (being the same as all other New Listed Options issued under the Company Placement);
- (f) the purpose of the issue and the use of the funds raised will be used for the same purposes and use as all other funds raised under the Company Placement as set out in Section 9.1; and
- (g) the issue of the Shares and New Listed Options under the Company Placement Participation is not intended to remunerate or incentive the participants;
- (h) the issue of the Shares and New Listed Options under the Company Placement is not in accordance with any agreement; and
- (i) a voting exclusion statement is included in this Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party participation in the Company Placement as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Securities to the Related Party under this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

The Directors (other than Les Pereira who has a material personal interest in the Resolution) believe Resolution 10 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

14. Resolution 11 – Approval of Unrelated Party Participation in Options Placement

14.1.1 General

Resolution 11 seeks Shareholder approval for the issue of up to 177,500,000 New Listed Options, being options exercisable at \$0.02 on or before 31 July 2023, at an issue price of \$0.0001 per New Listed Option to raise up to \$17,750, by way of:

- (a) up to 100,000,000 New Listed Options to clients of CPS Capital Group; and
- (b) up to 77,500,000 New Listed Options to other unrelated sophisticated investors who are exempt under section 708 of the Corporations Act,

(Unrelated Options Placement).

The Company seeks to issue the New Listed Options the subject of the Unrelated Options Placement with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

The Unrelated Options Placement will not be issued to Related Parties of the Company.

Resolution 11 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the New Listed Options under the Unrelated Options Placement.

14.1.2 ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in section 10.3 above.

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

Resolution 11 seeks the required Shareholder approval to the issue the New Listed Options under the Unrelated Options Placement under and for the purposes of Listing Rule 7.1

If Resolution 11 is passed, the Company will be able to proceed with the Unrelated Options Placement and will be able to issue up to 177,500,000 New Listed Options. The Unrelated Options Placement will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 11 is not passed, the Company will not be able to proceed with the Unrelated Options Placement and will not issue the 177,500,000 New Listed Options and will not raise up to \$17,750.

14.1.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided:

- (a) the Unrelated Options Placement will be issued to:
 - (i) clients of CPS Capital Group;
 - (ii) Chris Daws (a member of the Company's key management personnel) and Doug Daws (a substantial shareholder of the Company at the date of this Notice (holding 10.75%);
 - (iii) Jason Peterson (the managing director of CPS Capital Group) who is a substantial shareholder of the Company at the date of this Notice (holding 5.01%); and
 - (iv) other unrelated investors identified by the Directors being either existing Shareholders of the Company or strategic investors;

being investors exempt under section 708 of the Corporations Act. The participants of the Unrelated Options Placement are not Related Parties of the Company. Please note that CPS Capital Group will receive fees for the placement of these Securities as specified in section 9.1.1;

- (b) up to 177,500,000 New Listed Options will be issued as a new class of listed options, exercisable at \$0.02 on or before 31 July 2023, on the terms and conditions set out

in Schedule 3 and subject to ASX quotation requirements. Of this issue, Chris Daws will receive 20 million Options, Doug Daws will receive 16.5 million Options and Jason Peterson will receive 50 million Options;

- (c) the Unrelated Options Placement will be issued on or about 25 September 2020 and otherwise not later than 3 months after the date of the Meeting;
- (d) the issue price is \$0.0001 per New Listed Options under the Unrelated Options Placement;
- (e) the purpose of the Unrelated Options Placement, in addition to the reasons set out in Section 9.1, are as follows:
 - (i) CPS Capital's clients were participants in the Placement and entitled to participate in the Unrelated Options Placement as part of agreed terms of CPS Capital's lead management of the Placement (Tranche 1 and Tranche 2);
 - (ii) further incentivise the recipients of the Unrelated Options Placement who are long standing shareholders and supporters of the Company; and
 - (iii) raise up to \$17,750 from the issue of the Unrelated Options Placement, which shall be used as set out in is as set out in Section 9.1, and potentially raise (subject to the Company's share price and the future exercise of the Options) a further \$3,550,000 for the Company if the holders exercise the Options;
- (f) the New Listed Options under Unrelated Options Placement are not being issued under an agreement;
- (g) the New Listed Options under Unrelated Options Placement are not being issued under or to fund a reverse takeover; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 11 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

15. Resolution 12 - Approval of Related Party Participation in Options Placement

15.1 General

Pursuant to Resolution 12 (a) and (b), the Company is seeking Shareholder approval for the issue of up to 22,500,000 New Listed Options under the Options Placement to Related Parties as follows:

- (a) 2,500,000 New Listed Options to Director, Les Pereira (and/or nominee); and
- (b) 20,000,000 New Listed Options to Director, John Kingswood (and/or nominee),

(Related Party Options Participation).

15.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

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

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

The Participation will result in the issue of New Listed Options to Related Parties, which constitutes giving a financial benefit.

As a majority of the Directors of the Company are proposed to receive New Listed Options under the Related Party Options Participation, the Directors have been unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to these issues. Accordingly, Shareholder approval is sought for the grant of the Related Party Options to the Directors (and/or their respective nominees).

The Directors otherwise consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Related Party Options Participation because the New Listed Options will be issued on the same terms as New Listed Options issued to non-Related Party participants in the Options Placement and as such the giving of the financial benefit is on arm's length terms.

15.3 Section 195 of the Corporations Act

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

Les Pereira and John Kingswood have a material personal interest in the outcome of Resolution 12 (as applicable). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue of the Related Party Options Participation to Shareholders to resolve upon.

15.4 ASX Listing Rule 10.11

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

As the Related Party Options Participation involves the issue of New Listed Options to Related Parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

15.5 Technical Information required by ASX Listing Rule 10.11

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

- (a) the New Listed Options under the Related Party Options Participation will be issued to:
 - (i) Les Pereira (and/or nominee) (the subject of Resolution 12(a)); and
 - (ii) John Kingswood (and/or nominee) (the subject of Resolution 12(b)),

- (b) the Related Party Options Participants fall into the following categories:
 - (iii) Listing Rule 10.11.1, Les Pereira as a Director, of the Company (the subject of Resolution 12(a)); and
 - (iv) Listing Rule 10.11.1, John Kingswood a Director, of the Company (the subject of Resolution 12(b));
- (c) under the Related Party Option Placement, the maximum number of New listed Options to be issued under the Related Party Options Placement is 22,500,000 as follows:
 - (v) 2,500,000 New Listed Options to Les Pereira (or nominee) (the subject of Resolution 12(a)); and
 - (vi) 20,000,000 New Listed Options to John Kingswood (or nominee) (the subject of Resolution 12(b));
- (d) the New Listed Options (the subject of both Resolution 12(a) and (b)) will be issued after the Meeting and otherwise no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue will occur on the same date;
- (e) the issue price will be \$0.0001 per New Listed Options (the subject of both Resolution 12(a) and (b)), being the same as all other New Listed Options issued under the Options Placement;
- (f) the purpose of the issue (and the use of the funds raised will be used for) in addition to the reasons set out in Section 9.1 (and raising \$2,250 from the issue), to potentially raise (subject to the Company's share price and the future exercise of the Options) a further \$450,000 for the Company if the holders exercise the Options; and to further incentivise the recipients who are long standing shareholders and supporters of the Company who agreed to a reduction in their directors fees during the year as a means of conserving the Company's cash position; and
- (g) the issue of the New Listed Options (the subject of both Resolution 12(a) and (b)) under the Related Party Options Participation is not intended to remunerate or incentive the participants;
- (h) the issue of the New Listed Options under the Related Party Options Participation (the subject of both Resolution 12(a) and (b)) is not in accordance with any agreement; and
- (i) a voting exclusion statement is included in this Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options Participation to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options Participation to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

16. Resolution 13 - Ratification of Convertible Notes

16.1 Background

On 31 January 2020, the Company announced that it would be raising \$450,000 by way of issuing convertible notes on the terms and conditions set out in Schedule 4 (**Convertible**

Notes) to exempt investors under section 708 Corporation Act. The funds raised from the issue of the Convertible Notes were used to progress exploration activities across the Company's mineral projects in Western Australia and for general working capital. The Company announced on 25 February 2020 that it completed the issue of the Convertible Notes.

A summary of the terms and conditions of the Convertible Notes is set out in Schedule 4.

The Company issued the Convertible Notes under its Listing Rule 7.1 placement capacity.

16.2 General

The Company seeks ratification of its issue of the Convertible Notes, up to 56,448,000 Shares, being the maximum amount of Shares to be issued upon the conversion of the Convertible Notes as principle Shares and interest Shares at 12% per annum in accordance with ASX Listing Rule 7.4 (**Underlying Shares**).

The Company issued the Convertible Notes, and provided for the issue of up to the maximum number of Underlying Shares without prior Shareholder approval, out of its 15% annual placement capacity (under Listing Rule 7.1). The maximum number of Underlying Shares was within the Company's capacity under ASX Listing Rule 7.1 as at the date the Company entered into the Convertible Notes, and the Company was therefore able to issue this Convertible Note without seeking prior Shareholder approval.

The Convertible Notes were not placed with any Related Parties of the Company nor any of their Associates.

Resolution 13 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Convertible Notes.

16.2.1 ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in section 10.3 above.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 13 seeks Shareholder approval of the Convertible Notes for the purposes of Listing Rule 7.4.

If Resolution 13 is passed, the issue of the Convertible Notes up to the extent of the maximum number of Underlying Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1. Accordingly, the Company will then be able to rely upon Listing Rule 7.2 Exception 9 moving forward to allow for the issue of the Underlying Shares, subject to conversion of the Convertible Note, to occur any time after the Meeting (not only within 3 months).

If Resolution 13 is not passed, the Convertible Notes (up to the extent of the maximum number of Underlying Shares) will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

16.2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Convertible Notes:

- (a) \$450,000 Convertible Notes were issued, to the extent of the maximum number of Underlying Securities, to sophisticated investors, who are investors exempt under section 708 of the Corporations Act. None of these subscribers are Related Parties of the Company;
- (b) the Convertible Notes are issued on the terms and conditions set out in Schedule 4. The Convertible Notes are convertible into the maximum number of Underlying Shares (subject to the timing of conversion), being 56,448,000 fully paid ordinary shares in the Company at \$0.01 (being both principle and interest Shares), which are issuable on the same terms and conditions as the Company's existing Shares. The conversion price under the Convertible Note is fixed and cannot be adjusted;
- (c) the Convertible Notes were issued on 25 February 2020;
- (d) the Convertible Notes were issued for a total of \$450,000 and the Underlying Share's conversion price is \$0.01 per Share;
- (e) the purpose of this Convertible Notes issue and the intended use of the funds raised is as set out in Section 16.1;
- (f) the Convertible Notes were issued pursuant to the terms set out in in Schedule 4;
- (g) the terms of the Convertible Notes and the information required under section 5.10 of Guidance Note 21 is set out in Schedule 4; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 13 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

SCHEDULE 1– Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

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

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

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2020 insert year.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Attaching Placement Options means the 150,000,000 free-attaching New Listed Options under Resolution 8.

Auditor's Report means the auditor's report on the Financial Report.

Auric means Auric Mining Limited.

Binding Offer Letter means the binding offer letter for the Transaction.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Capital Raising has the meaning set out in 9.1.1.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Estrella Resource Ltd (ACN 155 151 207).

Company Placement means the placement of up to 50,000,000 Shares and 50,000,000 free-attaching New Listed Options in accordance with Resolution 9 and 10.

Constitution means the constitution of the Company as at the commencement of the Meeting.

Convertible Notes means the convertible notes issued by the Company on 25 February 2020 on the terms and conditions set out in Schedule 4.

CPS Capital Group means CPS Capital Group Pty Ltd.

Corporations Act means the *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 and its controlled entities contained in the Annual Report.

Disposal means the Company's disposal of its Munda Gold Project to Widgie.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

IPO has the meaning set out in Section 8.4.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

New Listed Options means the new class of options on the terms and conditions set out in Schedule 3, which the Company intends to seek quotation for on the ASX.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Plan means the Employee Share Option Plan proposed to be approved under Resolution 4, and on the terms summarised in Schedule 5.

Placement Shares has the meaning given in Section 9.1.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning set out in the ASX Listing Rule 10.11.

Related Party Placement Participation means the placement of up to 500,000 Shares and 500,000 free-attaching New Listed Options in accordance with Resolution 10.

Related Party Options Placement means the placement of up to 22,500,000 New Listed Options in accordance with Resolution 12.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Share Placement has the meaning given in Section 9.1.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Tranche 1 Placement means the placement of 75,000,000 Shares in accordance with Resolution 6.

Tranche 2 Placement means the placement of 75,000,000 Shares in accordance with Resolution 7.

Transaction means the Disposal by way of asset sale.

Two Strikes Rule has the meaning in Section 4.

Unrelated Options Placement means the placement of up to 177,500,000 New Listed Options in accordance with Resolution 11.

VWAP means volume weight average price.

Widgie means Widgie Gold Pty Ltd.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

SCHEDULE 2 – Equity Shares Issued in 12 Months Preceding AGM

Date of issue	Number issued	Class/Type of equity security and Summary of terms	Names of persons who received securities or basis on which those persons was determined	Issue Price and discount	Rule pursuant to which the Issue is made	Consideration	
7 August 2020	75,000,000	Fully paid ordinary Share issued on the same terms and conditions of the ordinary Shares in the Company	The fully paid ordinary shares were issued to sophisticated and professional investors as part of a private Placement.	Issue Price: \$0.007 Discount: 12% discount to market price at the time of receiving firm commitments for the Placement.	23,749,169 Fully paid ordinary shares issued pursuant to Listing Rule 7.1 and 51,250,831 Fully paid ordinary shares issued pursuant to Listing Rule 7.1A	Total cash consideration	\$525,000 (<i>before costs</i>)
						Amount of cash consideration spent and Description of what consideration was spent on	\$31,500 cash consideration spent on Placement and Management Fees pursuant to the Placement..
						Amount of cash consideration remaining and Intended use for remaining cash consideration	\$493,500 Intended use of remaining funds: The funds will be directed towards commencement of drilling activities on the Company's Carr Boyd Nickel Project, exploration at the Company's Spargoville Nickel Project and general working capital.

Date of issue	Number issued	Class/Type of equity security and Summary of terms	Names of persons who received securities or basis on which those persons was determined	Issue Price and discount	Rule pursuant to which the Issue is made	Consideration	
21 November 2019	14,000,000	Unlisted options exercisable at \$0.03 on or before 20 November 2022	Issued to Directors as approved at the Company's AGM on 19 November 2019 and to Employees pursuant to the Employee Share Option Plan, as approved by shareholder on 26 April 2018	Nil issue price (issued to provide a performance linked incentive component to the Directors and Employees	Unquoted options issued to Directors pursuant to ASX Listing Rule 10.14 and to Employees pursuant to the Employee Share Option Plan, as approved by shareholder on 26 April 2018 (ASX Listing Rule 7.2 Exception 13)	Non-cash consideration paid and current value of that non-cash consideration	The unlisted options were issued for nil cash consideration and therefore no funds were raised as a result of the issue. Current Value: \$72,809 Current valuation as at date of the Notice of Meeting calculated using the Black-Scholes valuation model.

SCHEDULE 3 - New Listed Option Terms and Conditions

Definition: **Option** in this Schedule, means the New Listed Options in the Notice.

- (a) Entitlement: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) Exercise Price: Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).
- (c) Expiry Date: Each Option will expire at 5:00pm (WST) on 31 July 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Exercise Period: The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) Notice of Exercise: The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) Exercise Date: A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) Timing of issue of Shares on exercise: Within 15 Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) Quotation of Options: The Company will seek quotation of the Options in accordance with the Listing Rules and Corporations Act, subject to satisfaction of the minimum quotation conditions of the ASX Listing Rules. In the event that quotation of the Options cannot be obtained, the Option will remain unlisted.

- (i) Shares issued on exercise: Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) Reconstruction of capital: If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) Participation in new issues: There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) Change in exercise price: An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) Transferability: The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws

SCHEDULE 4 - Convertible Note Term & Conditions Summary

- (a) **Interest Rate:** 12% per annum.
- (b) **Conversion Price:** Each Convertible Note is convertible into fully paid ordinary shares in the capital of the Company (Shares) at \$0.01 per Share.
- (c) **Security:** The Convertible Notes are unsecured.
- (d) **Repayment Date:** 24 months from the date of execution of the convertible note deeds.
- (e) **Repayment:** On the Repayment Date, the Company may (at its sole discretion) elect to pay:
 - (i) the principal sum of the Convertible Note (**Principal Sum**) in either cash or Shares; and
 - (ii) all interest accrued on the Principal Sum (**Accrued Interest**) in either cash or Shares.
- (f) **Conversion Period:** The Noteholder's election during the period commencing on the date which is 6 months from the issue date and ending on the date that is 7 business days prior to the Repayment Date.
- (g) **Conversion rights of Noteholders:** The Noteholders may elect to receive:
 - (i) the Principal Sum in either cash or Shares, or 50:50 cash and Shares; and
 - (ii) the Accrued Interest in either cash or Shares.
- (h) **Shareholder and regulatory approval:** The issue of Shares on conversion of the Convertible Notes is subject to and conditional upon the Company seeking and obtaining all necessary shareholder and regulatory approvals required by the Corporations Act or the ASX Listing Rules for the issue of the Shares prior to any conversion of the Convertible Notes (as applicable).

SCHEDULE 5 - Plan Summary (ESOP)

The key terms of the ESOP are as follows:

1. Incentive option plan

- (a) **Eligibility:** Participants in the Option Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Options under the Option Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Options, upon the terms set out in the Option Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Unless the Options are quoted on the ASX, Options issued under the Option Plan will be issued for no more than nominal cash consideration.
- (e) **Vesting Conditions:** An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Options have been granted under the Option Plan or their nominee where the Options have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Options due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Options, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:

- (I) death or Total or Permanent Disability of a Relevant Person; or
 - (II) Retirement or Redundancy of a Relevant Person;
- (B) a Relevant Person suffering Severe Financial Hardship;
- (C) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
- (ii) a Change of Control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse of an Option:** An Option will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in the Option;
 - (ii) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Option only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Option in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Options only, a relevant person ceases to be an Eligible Participant and the Option granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option;
 - (vii) the expiry date of the Option.
- (h) **Shares:** Shares resulting from the exercise of the Options shall, subject to any Sale Restrictions (refer paragraph (i)) from the date of issue, rank on equal terms with all other Shares on issue.

- (i) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Options, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Options up to a maximum of seven (7) years from the grant date of the Options. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (j) **No Participation Rights:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (k) **Change in exercise price of number of underlying securities:** Unless specified in the offer of the Options and subject to compliance with the ASX Listing Rules, an Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
- (l) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Option are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (m) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Options, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Option Plan to effect the establishment of such a trust and the appointment of such a trustee.



Estrella Resources Limited | ACN 151 155 207

AGM Proxy Voting Form

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

Holder Number:

Vote by Proxy: ESR

Your proxy voting instruction must be received by **10.00am (WST) on Wednesday, 23 September 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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

YOUR NAME AND ADDRESS

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

VOTING UNDER STEP 1 - APPOINTING A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

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Email Address:

Contact Daytime Telephone

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Date (DD/MM/YY)

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By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).