



European Lithium Limited

ACN: 141 450 624

Notice of Annual General Meeting

The Annual General Meeting of European Lithium Limited will be held at:

- 32 Harrogate Street, West Leederville, Western Australia 6007; and
- 9:00am (WST) on 30 October 2020.

In accordance with subsection 5(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*, the Company will not be dispatching physical copies of the Notice. For shareholders that the Company has email addresses on records, the Company will send a copy of this Notice and material relating to the Meeting or provide a link to where the Notice and other material can be viewed or downloaded by email. To the other Shareholders, the Company will send a letter or postcard setting out a URL for viewing or downloading the Notice and other material. Shareholders can access a copy of the Notice at the following link: www.europeanlithium.com.

This notice of Annual General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting. Please contact the Company Secretary on + 61 9380 9555 or melissac@europeanlithium.com if you wish to discuss any matter concerning the Meeting.

European Lithium Limited
ACN 141 450 624

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of European Lithium Limited will be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 9:00am (WST) on 30 October 2020 (**Meeting**).

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

Shareholders can vote by attending the Meeting by returning a completed Proxy Form or attending the Meeting in person. Instructions on how to complete a Proxy Form are set out in the Explanatory Statement.

Proxy Forms must be received by no later than 9:00am (WST) on 28 October 2020.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in Schedule 1 of the Explanatory Statement.

The business of the Meeting affects your shareholding and your vote is important. This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on 28 October 2020.

AGENDA

ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors (**Directors' Report**) and Auditors for the financial year ended on 30 June 2020 (**Annual Report**).

RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Directors' Report for the financial year ended on 30 June 2020."

A voting exclusion statement is set out below.

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

RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR TONY SAGE

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

“That, for the purpose of rule 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Tony Sage, a Director, retires by rotation, and being eligible and offering himself for re-election, is re-elected as a Director.”

RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR KIMON GKOMOZIAS

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

“That for the purpose of rule 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Kimon Gkomoziyas, a Director who was appointed as an additional Director by the Board on 2 September 2020, retires at the conclusion of the Meeting, and being eligible and offering himself for re-election, is re-elected as a Director.”

RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purposes of 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 the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, and otherwise on the terms and conditions in the Explanatory Statement.”

RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER WINANCE FACILITY

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

“That for the purposes Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000 Winance Notes (which upon their terms have a conversion floor price of \$0.055 per Share and may convert into up to 36,363,636 Shares) to Winance Investment LLC (or its nominee), and otherwise on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 6 - APPROVAL TO REDUCE THE FLOOR PRICE FOR THE REMAINING WINANCE NOTES

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the reduction of the floor price for the conversion of Winance Notes issued under the Winance Facility from \$0.055 per Share to \$0.04 per Share, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

**RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF SHARES - WINANCE DEBT CONVERSION
1**

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,712,122 Shares to Winance (or its nominee) in satisfaction of debts, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

**RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF SHARES - WINANCE DEBT CONVERSION
2**

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,030,303 Shares to Winance (or its nominee) in satisfaction of debts, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 9 - RATIFICATION OF PRIOR ISSUE OF WINANCE OPTIONS

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 500,000 Winance Facility Options to Winance Investment LLC (or its nominee), and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below

RESOLUTION 10 - ISSUE OF SHARES AND OPTIONS TO OKEWOOD

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 977,776 Shares at an issue price of \$0.045 per Share and 977,776 Director Debt Conversion Options to Okewood Pty Limited (or its nominee) in satisfaction of consultancy fees, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 11 - ISSUE OF SHARES AND OPTIONS TO HOLLYWOOD

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 488,890 Shares at an issue price of \$0.045 per Share and 488,890 Director Debt Conversion Options to Hollywood Marketing (WA) Pty Ltd (or its nominee) in satisfaction of director fees, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 12 - ISSUE OF SHARES AND OPTIONS TO CRMS

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 176,622 Shares at an issue price of \$0.045 per Share and 176,622 Director Debt Conversion Options to Marnichar Nominees Pty Ltd ATF the Hallemar Trust trading as CRMS (or its nominee) in satisfaction of director fees, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 13 - RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO UNRELATED CREDITORS

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 16,235,584 Shares at an issue price of \$0.045 per Share and 16,235,584 free attaching Options to unrelated creditors in satisfaction of debts, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 14 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE 2019 PLACEMENT

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Shares to Orca Capital GmbH under the 2019 Placement, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 15 - RATIFICATION OF PRIOR ISSUE OF CORPORATE ADVISOR SHARES AND OPTIONS

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Shares and 2,000,000 Corporate Advisor Options issued to Empire Capital Partners, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 16 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 46,363,643 Shares at an issue price of \$0.045 per Share to institutional and sophisticated investors to raise \$2.1 million, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 17 - APPROVAL TO ISSUE FREE ATTACHING OPTIONS UNDER THE PLACEMENT

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 11,590,911 free attaching Options to the participants of the Placement on a 1 free attaching Option for every four Shares issued, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 18 - APPROVAL TO ISSUE PLACEMENT OPTIONS - EMPIRE CAPITAL PARTNERS

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

“That for the purposes ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,400,000 Placement Options to Empire Capital Partners or its nominee, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 19 - RATIFICATION OF PRIOR ISSUE OF SHARES - EMPIRE CAPITAL PARTNERS

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,800,000 Shares to Empire Capital Partners or its nominee on the terms set out in the Explanatory Statement”

A voting exclusion statement is set out below.

RESOLUTION 20 - APPROVAL TO ISSUE PLACEMENT OPTIONS - KAPITAL GLOBAL

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

“That for the purposes ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 Placement Options to Kapital Global or its nominee, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(d) the voter is the Chair of the Meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and

-
- (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.
-

ASX Listing Rules

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of a resolution by or on behalf of:

- (a) the below named person or class of persons excluded from voting; or
- (b) an associate of that person or those persons:

Resolution	Persons excluded from voting
Resolution 5 - Ratification of prior issue of securities under Winance Facility	Winance and its associates.
Resolution 6 - Approval to reduce the floor price for the remaining Winance Notes	Winance and its associates and any person who will obtain a material benefit as a result of the proposed issue.
Resolution 7 - Ratification of prior issue of Shares- Winance debt conversion 1	Winance and its associates.
Resolution 8 - Ratification of prior issue of Shares - Winance debt conversion 2	Winance and its associates.
Resolution 9 - Ratification of prior issue of Winance Options	Winance and its associates.
Resolution 10 - Issue of Shares and Options to Okewood	Okewood and its associates and any person who will obtain a material benefit as a result of the proposed issue.
Resolution 11 - Issue of Shares and Options to Hollywood	Hollywood and its associates and any person who will obtain a material benefit as a result of the proposed issue.
Resolution 12 - Issue of Shares and Options to CRMS	CRMS and its associates and any person who will obtain a material benefit as a result of the proposed issue.

Resolution 13 - Ratification of prior issue of Shares and Options to Unrelated Creditors	Persons who participated in the issue or is a counterparty to the agreement being approved, or any associate of those persons.
Resolution 14 - Ratification of prior issue of Shares under the 2019 Placement	Orca Capital GmbH and its associates.
Resolution 15 - Ratification of prior issue of Corporate Advisor Shares and Corporate Advisor Options	Empire Capital Partners and its associates.
Resolution 16 - Ratification of prior issue of Shares under the Placement	Persons who participated in the issue or is a counterparty to the agreement being approved, or any associate of those persons.
Resolution 17 - Approval to issue free attaching Options under the Placement	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of such person.
Resolution 18 - Approval to issue Placement Options - Empire Capital Partners	Empire Capital Partners and its associates and any person who will obtain a material benefit as a result of the proposed issue.
Resolution 19 - Ratification of prior issue of Shares - Empire Capital Partners	Empire Capital Partners and its associates.
Resolution 20 - Approval to issue Placement Options - Kapital Global	Kapital Global and its associates and any person who will obtain a material benefit as a result of the proposed issue.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (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 as 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.

By order of the Board of Directors

Ms Melissa Chapman
Company Secretary
25 September 2020

Explanatory Statement

1 INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 9:00am (WST) on 30 October 2020. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

1	INTRODUCTION	11
2	ACTION TO BE TAKEN BY SHAREHOLDERS	12
3	ANNUAL REPORT	13
4	RESOLUTION 1 - REMUNERATION REPORT	14
5	RESOLUTION 2 - RE-ELECTION OF DIRECTOR - TONY SAGE.....	15
6	RESOLUTION 3 - RE-ELECTION OF DIRECTOR - KIMON GKOMOZIAS.....	15
7	RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY	16
8	INTRODUCTION TO RESOLUTIONS 5 TO 20	22
9	RESOLUTIONS 5 TO 9 -WINANCE NOTES, WINANCE DEBT CONVERSION AND WINANCE OPTIONS.....	28
10	RESOLUTIONS 10 TO 12 - ISSUE OF SHARES AND OPTIONS TO ENTITIES CONTROLLED BY RELATED PARTIES	36
11	RESOLUTION 13- RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO UNRELATED CREDITORS	39
12	RESOLUTION 14 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE 2019 PLACEMENT	41
13	RESOLUTION 15 - RATIFICATION OF PRIOR ISSUE OF CORPORATE ADVISOR SHARES AND OPTIONS	42
14	RESOLUTIONS 16 TO 20 - RATIFICATION AND APPROVAL OF ISSUE OF SECURITIES RELATING TO THE PLACEMENT	44

A Proxy Form is located at the end of this Explanatory Statement.

ASX takes no responsibility for the contents of the Notice or Explanatory Statement.

Please contact the Company Secretary on + 61 9380 9555 or by email at melissac@europeanlithium.com if you wish to discuss any matter concerning the Meeting.

2 ACTION TO BE TAKEN BY SHAREHOLDERS

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

2.1 Voting by Proxy

To vote by proxy, please complete and sign and return the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

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

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

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on the Resolutions.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 9:00am (WST) on 28 October 2020. Any Proxy Form received after that time will not be valid for the Meeting.

Shareholders can appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair of the Meeting must follow your instructions.

2.2 Voting in person

In light of the status of the evolving COVID-19 situation and the Commonwealth and State government restrictions on public gatherings in place at the date of this Notice of Meeting, the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Meeting. The Chairman will adjourn the Meeting where the number of attendees may lead to the breach local public health laws and regulations.

2.3 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting.

2.4 Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on 28 October 2020.

2.5 Voting by Shareholders at the Meeting

All Resolutions will be determined by a poll at the Meeting.

The Company encourages Shareholders who submit proxies to direct their proxy on how to vote on the Resolutions. As at the date of this Notice the Chairman of the Meeting intends to vote all undirected proxies in favour of each of the Resolutions.

3 ANNUAL REPORT

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

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended on 30 June 2020 which is available on the ASX platform at www.asx.com.au; and
- (b) ask questions about or make comment on the management of the Company.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (c) the conduct of the audit;
- (d) the preparation and content of the auditor's report;
- (e) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (f) the independence of the auditor in relation to the conduct of the audit.

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

- (g) the content of the auditor's report to be considered at the Meeting; and
- (h) the conduct of the audit of the annual financial report to be considered at the Meeting,

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

4.1 Introduction

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended on 30 June 2020.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chair will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

4.2 Voting consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

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

All of the directors of the company who were directors of the company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Shareholders approved the Company's Remuneration Report for financial year ended on 30 June 2019, and as a result there is no requirement to vote on a Spill Resolution if 25% or more of the votes cast vote against Resolution 1.

5 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - TONY SAGE

5.1 Introduction

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer, and that a director appointed to fill a casual vacancy must also not hold office (without re-election) past the company's next annual general meeting.

Rule 10.3 of the Company's Constitution provides that no Director who is not a managing director may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected.

5.2 Tony Sage

Tony Sage was re-elected as a director of the Company at the Company's annual general meeting in 2017. In accordance with ASX Listing Rule 14.4 and rule 14.2 of the Company's Constitution, Tony Sage retires as a director at this Meeting and offers himself for re-election.

Details of the qualifications and experience of Tony Sage are set out in the Company's 2020 Annual Report.

5.3 Directors' recommendations

The Board (excluding Tony Sage) recommends that Shareholders vote in favour of Resolution 2.

6 RESOLUTION 3 - RE-ELECTION OF DIRECTOR - KIMON GKOMOZIAS

6.1 Introduction

Rule 14.4 of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors.

Pursuant to rule 14.4 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the following annual general meeting and is then eligible for re-election by Shareholders.

6.2 Kimon Gkomozi

Kimon Gkomozi, having been appointed by the Board on 2 September 2020 in accordance with rule 14.4 of the Constitution, retires in accordance with rule 14.4 of the Constitution and ASX Listing Rule 14.4 at the conclusion of the Meeting and being eligible, seeks re-election from Shareholders at the Meeting.

Details of the qualifications and experience of Kimon Gkomozi are set out in the Company's 2020 Annual Report.

6.3 Directors' recommendations

The Board (excluding Kimon Gkomozi) recommends that Shareholders vote in favour of Resolution 3.

7 RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

7.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a Relevant Period following shareholder approval (**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 to section 7.2(a) below).

The Company's main project is the Wolfsberg Lithium Project in Austria. The Company has completed the pre-feasibility study and is well advanced into the DFS for the project. In terms of the DFS, Dorfner/Anzaplan has completed the metallurgical test work to assess and optimize the process lines, flowsheets and layouts, the results and scope of work have been reviewed and the remaining lock cycle tests are pending (and delayed due to COVID-19) to assess sufficiently the process to produce reliable results for the Lithium Hydroxide product. The final DFS report will be published when results are completed. Pending the finalization of the DFS, the Company has developed the following development strategy for the project:

- (a) drilling to upgrade the "inferred" resource in zone 1 to measured and indicated resource and extension of the existing inferred resource base;
- (b) completion and presentation of the DFS;
- (c) commencement of permitting process based on DFS project configuration;
- (d) preparation of mining plan for the mining authority to authorize the mine and concentrator construction;
- (e) determining approval requirements of the carbonate/hydroxide conversion plant; and
- (f) initiating final financing plan.

Any funds raised will be used towards the development of the Wolfsberg Lithium Project (with the funds to be allocated depending on the development stages of the project) and general working capital. Resolution 4 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).

If Resolution 4 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

7.2 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue quoted Equity Securities up to 10% of its issued share capital through placements over a Relevant Period following shareholder approval by way of a special resolution. The 10% Placement Facility is subject to conditions and is 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 capitalization of \$300 million or less. The Company is an eligible entity.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$

“A” the number of fully paid ordinary shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9,16 or 17;
- (B) plus the number of fully paid ordinary shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules

to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

- (C) plus the number of fully paid ordinary shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the Relevant Period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of any other fully paid ordinary shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (E) plus the number of partly paid shares that became fully paid in the Relevant Period;
- (F) less the number of fully paid ordinary shares cancelled in the Relevant Period.

“D” is 10%.

“E” is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

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.

As the date of this Notice, the Company has:

- (i) the following securities on issue:
 - (A) 717,123,518 fully paid ordinary shares;
 - (B) 20,735,584 unlisted options; and
 - (C) 1,000 convertible notes.
- (ii) the capacity to issue:
 - (A) 7,500,032 Equity Securities under Listing Rule 7.1; and
 - (B) 24,125,484 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be for a cash consideration per security which is 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 by the Company and the recipient of the Equity Securities; 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.

7.3 Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The approval will be valid for the period commencing on the date of the Meeting and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.
- (b) The Equity Securities will be issued for a cash consideration per security which is 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 by the Company and the recipient of the Equity Securities; 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.
- (c) The issue under Listing Rule 7.1A can only be made for cash consideration. The Company intends to use any funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), the development of the Wolfsberg Lithium Project and/or general working capital. Refer to section 7.1 for details on the Company's development strategy of the project and fund allocation policy.
- (d) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; 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, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		10% Voting Dilution		
		\$0.025 50% decrease in Issue Price	\$0.051 Issue Price	\$0.075 50% increase in Issue Price
Current Variable A (629,890,959 Shares)	Shares issued	62,989,096	62,989,096	62,989,096
	Funds Raised	\$1,574,727.40	\$3,212,443.90	\$4,724,182.19
50% increase in current Variable A (944,836,439 Shares)	Shares issued	94,483,644	94,483,644	94,483,644
	Funds Raised	\$2,362,091.10	\$4,818,665.84	\$7,086,273.29
100% increase in current Variable A (1,259,781,918 Shares)	Shares issued	125,978,192	125,978,192	125,978,192
	Funds Raised	\$3,149,454.80	\$6,424,887.79	\$9,448,364.39

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options have been exercised before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted options, it is assumed that those quoted options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.51 being the closing price of the Shares on ASX on 24 September 2020.

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 that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

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

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - (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.
 - (iv) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) Details of the issue of Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting is set out in SCHEDULE 5. There is no circumstance that the Company has agreed before the 12 month period to issue Equity securities under Listing Rule 7.1A.2 but as at the date of the Meeting not yet issued those Equity Securities.
- (g) At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, no voting exclusion statement is required for the Notice.

7.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

8 INTRODUCTION TO RESOLUTIONS 5 TO 20

8.1 Introduction

(a) Winance Facility, Winance Debt Conversion and Winance Options

On 31 July 2019, the Company announced a facility with Winance (**Winance Facility**) under which the Company can draw down up to \$10 million through the issue of convertible notes (**Winance Notes**).

The terms and conditions of the Winance Facility were first announced to ASX on 31 July 2019 and summarized in section 9.6 below. The terms of the Winance Facility include a floor price for the conversion of Winance Notes to Shares at \$0.055 per Share (**Current Floor Price**).

On 20 September 2019, the Company issued 2,000 Winance Notes (with a total face value of \$2,000,000) (**Tranche 1 Winance Notes**) without Shareholder approval using the Company's 15% placement capacity under Listing Rule 7.1. The Tranche 1 Winance Notes were subsequently ratified by Shareholders under Listing Rule 7.4 at the Company's annual general meeting on 28 November 2019. All Tranche 1 Winance Notes have been converted into Shares.

On 10 March 2020, the Company issued a further 2,000 Winance Notes (with a total face value of \$2,000,000) (**Tranche 2 Winance Notes**). The Tranche 2 Winance Notes were issued without Shareholder approval using the Company's 15% capacity under Listing Rule 7.1. Resolution 5 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue.

As of the date of this Notice:

- (i) 500 Tranche 2 Winance Notes have been converted to Shares;
- (ii) 500 Tranche 2 Winance Notes have been redeemed (as announced on 22 September 2020); and
- (iii) 1,000 Tranche 2 Winance Notes remain on issue (**Remaining Tranche 2 Winance Notes**).

These Winance Notes have a Current Floor Price for conversion of \$0.055 per Share and will convert to a maximum of 18,181,818 Shares.

The 30-day VWAP of the Company's Shares on ASX before the date of this Notice is \$0.0529, which is below the Current Floor Price. Under the Winance Facility, in the event the share price is less than the Current Floor Price at conversion, the Company will issue the number of Shares equal to the conversion amount divided by the Current Floor Price with the shortfall amount (calculated in accordance with the terms of the facility) payable by the Company in cash (**Shortfall Cash Payment**).

Resolution 6 seeks shareholder approval under Listing Rule 7.1 to reduce the Current Floor Price under the Winance Facility to a new floor price of \$0.04

per Share (**New Floor Price**). This will allow Winance to convert the Remaining Tranche 2 Winance Notes (and any further Notes issued under the Winance Facility, subject to Listing Rule 7.1) while relieving the Company from, if required, making Shortfall Cash Payments in relation to the conversion. The maximum number of Shares that can, applying the New Floor Price, be issued under the Remaining Tranche 2 Winance Notes is 25,000,000 Shares.

On 5 June 2020, the Company announced that it had agreed with Winance to satisfy a \$118,182 current debt relating to Shortfall Cash Payments owed to Winance as a result of converting 300 Tranche 2 Winance Notes on 3 June 2020 through the issue of 3,712,122 Shares (**First Winance Debt Conversion Shares**) where:

- (i) 3,030,303 Shares were issued at a price of \$0.03 per Share (being 92% of the lowest closing VWAP on Frankfurt market over 10 days prior to the conversion date) to satisfy \$90,909 Shortfall Cash Payments for the conversion of 200 Tranche 2 Winance Notes (where the 10 days VWAP on Frankfurt market was used to calculate the Shortfall Cash Payments); and
- (ii) 681,819 Shares were issued at a price of \$0.04 per Share (being 92% of the lowest closing VWAP on ASX over 10 days prior to the conversion date) to satisfy \$27,273 Shortfall Cash Payments for the conversion of 100 Tranche 2 Winance Notes (where the 10 days VWAP on ASX was used to calculate the Shortfall Cash Payments).

The First Winance Debt Conversion Shares were issued on 5 June 2020 with the Company's 15% capacity under Listing Rule 7.1 and without Shareholder approval. Shareholder approval under Listing Rule 7.4 is sought under Resolution 7 to ratify the issue.

On 20 July 2020, the Company announced that it had agreed with Winance to satisfy a \$90,909 current debt relating to Shortfall Cash Payments owed to Winance as a result of converting 200 Tranche 2 Winance Notes on 20 July 2020 through the issue of 3,030,303 Shares (**Second Winance Debt Conversion Shares**) at an issue price of \$0.03 per Share (**Second Winance Debt Conversion**).

The Second Winance Debt Conversion Shares were issued on 20 July 2020 with the Company's 15% capacity under Listing Rule 7.1 and without Shareholder approval. Shareholder approval under Listing Rule 7.4 is sought under Resolution 8 to ratify the issue.

On 24 January 2020, the Company issued 500,000 Winance Options to Winance as compensation for not issuing an event of default notice to the Company with respect to the Winance Facility. The Winance Options were issued with the Company's 15% capacity under Listing Rule 7.1. Shareholder approval under Listing Rule 7.4 is sought under Resolution 9 to ratify the issue.

(b) Directors Debt Conversion

The Company has agreed with entities controlled by the Directors and a former director within the last 6 months, subject to Shareholder approval, to satisfy debts owed by the Company to these entities for director and consultancy fees of collectively \$73,948 through the issue of 1,643,288 Shares (**Director Debt Conversion Shares**) at an issue price of \$0.045 per Share and 1,643,288 free attaching Options (**Director Debt Conversion Options**) (**Directors Debt Conversion**).

Resolutions 10 to 12 seek Shareholder approval under Listing Rule 10.11 for issues under the Directors Debt Conversion.

Refer to section 10 for details.

(c) Unrelated Debt Conversion

As announced on 29 May 2020 and 3 June 2020, the Company has issued a total of 16,235,584 Shares (**Unrelated Debt Conversion Shares**) and 16,235,584 attaching Options (**Unrelated Debt Conversion Options**) to nine unrelated third party service providers in satisfaction of debts totaling \$730,600 arising from services provided by such parties to the Company (**Unrelated Debt Conversion**).

The Unrelated Debt Conversion Shares and Unrelated Debt Conversion Options (together the **Unrelated Debt Conversion Securities**) were issued with the Company's 15% capacity under Listing Rule 7.1 and without Shareholder approval. Resolution 13 seeks Shareholder approval under Listing Rule 7.4 to ratify the issues.

Refer to section 11 for details.

(d) 2019 Placement Shares

On or around 5 November 2019, the Company undertook a placement of 5,000,000 Shares (**2019 Placement Shares**) to Orca Capital GmbH at an issue price of \$0.085 per Share by utilizing its 15% capacity under Listing Rule 7.1 (**2019 Placement**). Resolution 14 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue.

Refer to section 12 for details.

(e) Corporate Advisor Shares

On 29 May 2020, the Company issued 2,000,000 Shares (**Corporate Advisor Shares**) and 2,000,000 Options (**Corporate Advisor Options**) to Empire Capital pursuant to a mandate with Empire Capital as the Company's corporate advisor in respect to the Talaxis engagement (refer to the Company's announcement to ASX on 27 May 2020 for details on the Talaxis engagement). The Corporate Advisor Shares and Corporate Advisor Options (**together the Corporate Advisor Securities**) were issued with the Company's 15% capacity under Listing Rule 7.1.

Resolution 15 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue.

Refer to section 13 for details.

(f) Placement

As announced on 22 September and 23 September 2020, the Company has completed a capital raising and issued 46,363,643 Shares (**Placement Shares**) at an issue price of \$0.045 per Share to institutional and sophisticated investors to raise \$2.1 million (**Placement**). Subject to Shareholder approval, 11,590,911 free attaching Options (**Placement Options**) will be issued to the participants of the Placement on the basis of 1 Placement Option for every four Shares issued under the Placement.

The 46,363,643 Placement Shares were issued using the Company's 10% capacity under Listing Rule 7.1A 22 September and 23 September 2020. Resolution 16 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the 46,363,643 Placement Shares. Resolution 17 seeks Shareholder approval under Listing Rule 7.1 to issue the 11,590,911 Placement Options.

Empire Capital Partner acted as the lead manager of the Placement. Pursuant to a mandate with Empire Capital Partner in relation to the Placement, in addition to a capital raising fee of 6% on the amount raised (\$81,000, being 6% of \$1,350,000 raised through Empire Capital Partners (**Lead Manager Fee**)), the Company will, subject to Shareholders approval, issue 2,400,000 Placement Options to Empire Capital Partner as part of the compensation for Empire Capital Partner's service as lead manager of the Placement.

Resolution 18 seeks Shareholder approval under Listing Rule 7.1 to issue 2,400,000 Placement Options to Empire Capital.

As announced on 23 September 2020, the Company and Empire Capital Partners agreed that the Company would satisfy the \$81,000 Lead Manager Fee through the issue of 1,800,000 Shares (**Lead Manager Shares**) at a deemed issue price of \$0.045 per Share. The Lead Manager Shares were issued to Empire Capital Partners without shareholder approval and using the Company's 15% capacity under Listing Rule 7.1. Resolution 19 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of 1,800,000 Lead Manager Shares.

As announced on 24 September 2020, Kapital Global coordinated the Placement and the Company has agreed to, subject to Shareholder approval, issue 5,000,000 Placement Options to Kapital Global for its service to coordinate the Placement. Resolution 20 seeks Shareholder approval under Listing Rule 7.1 for the Company to issue the 5,000,000 Placement Options to Kapital Global.

Refer to section 14 for details.

The Company's capital structure and dilutive effect of the issue of the securities the subject of the Resolutions on existing Shareholders are set out in section 8.2 below.

8.2 Effect on the capital structure of the Company and dilution

The effect of the various issues on the capital structure of the Company is as follows (assuming no other Shares are issued):

	Resolution 6 not approved		Resolution 6 approved	
Items	Number	%	Number	%
Shares currently on issue (excluding Shares issued under Resolutions 7, 8, 13, 14, 15 and 19)	638,981,866	82.31	638,981,866	81.59
Maximum number of Shares can be issued under the Remaining Winance Notes (Resolution 6)	18,181,818	2.34	25,000,000	3.19
Shares issued under Winance debt conversion 1 (Resolution 7)	3,712,122	0.48	3,712,122	0.47
Shares issued under Winance debt conversion 2 (Resolution 8)	3,030,303	0.39%	3,030,303	0.39
Maximum number of Shares to be issued under the Winance Options (Resolution 9)	500,000	0.06	500,000	0.06
Directors Debt Conversion Shares (Resolutions 10 -12)	1,643,288	0.21	1,643,288	0.21
Maximum number of Shares to be issued under the Directors Debt Conversion Options (Resolution 10 -12)	1,643,288	0.21	1,643,288	0.21
Unrelated Debt Conversion Shares (Resolution 13)	16,235,584	2.09	16,235,584	2.07
Maximum number of Shares to be issued under the Unrelated Debt Conversion Options (Resolution 13)	16,235,584	2.09	16,235,584	2.07

Shares issued under the 2019 Placement (Resolution 14)	5,000,000	0.64	5,000,000	0.64
Corporate Advisor Shares (Resolution 15)	2,000,000	0.26	2,000,000	0.26
Maximum number of Shares to be issued under the Corporate Advisor Options (Resolution 15)	2,000,000	0.26	2,000,000	0.26
Shares issued under the Placement (Resolution 16)	46,363,643	5.97	46,363,643	5.92
Maximum number of Shares to be issued under the Placement Options (Resolution 17)	11,590,911	1.49	11,590,911	1.48
Maximum number of Shares to be issued under the Placement Options to Empire Capital Partners (Resolution 18)	2,400,000	0.31	2,400,000	0.31
Lead Manager Shares issued under Resolution 19	1,800,000	0.23		0.23
Maximum number of Shares to be issued under the Placement Options to Kapital Global (Resolution 20)	5,000,000	0.64		0.64
Total	776,318,407	100	783,136,589	100

8.3 Listing Rules

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

Listing Rule 7.4 allows shareholders to ratify 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.

Broadly speaking, Listing Rule 10.11 requires prior shareholder approval for the issue of equity securities to related parties (which includes directors, certain relatives and their controlled entities), except for certain issues.

Securities issues that are approved by Shareholders under Listing Rules 7.4 and 10.11 are not included in calculating an entity's 15% capacity under Listing Rule 7.1.

9 RESOLUTIONS 5 TO 9 -WINANCE NOTES, WINANCE DEBT CONVERSION AND WINANCE OPTIONS

9.1 Resolution 5

As announced on 10 March 2020, the Company issued 2,000 Tranche 2 Winance Notes under the Winance Facility using the Company's 15% placement capacity under Listing Rule 7.1.

The terms and conditions of the Winance Facility were first announced to ASX on 31 July 2019 and summarized in section 9.6 below.

As of the date of this Notice, for the 2,000 Tranche 2 Winance Notes, \$1.84 million (being 92% of the face value of the Winance Notes) has been received by the Company.

Funds raised from the issue are used towards funding the Company's Austrian subsidiary to progress its definitive feasibility study on its Wolfsberg lithium project (around \$814,000) (including continued minor work by SRK Consulting on the optimized mine design and increased declaration of mineral reserves based on the PFS and current drilling program results as the data became available; further lock cycle test by Dorfner/Anzaplan to assess sufficiently the process to produce reliable results for the Lithium Hydroxide product, independent assessment by DRA Global of the metallurgical work etc.), foreign exchange loss on receipt of funding (\$27,000), repay the Company's short term loan (\$200,000), payment to the Financial Market Authority (around \$111,000) and for general working capital (around \$445,000) with a balance of around \$243,000 remaining at 31 August 2020.

Of the 2,000 Tranche 2 Winance Notes:

- (a) 500 Winance Notes have been converted to 9,090,909 Shares;
- (b) 500 Winance Notes have been redeemed (as announced on 22 September 2020); and
- (c) 1,000 Winance Notes remain on issue (**Remaining Tranche 2 Winance Notes**).

The Winance Notes are convertible in accordance with their terms into Shares, and are equity securities under the Listing Rules.

Under their terms, the Tranche 2 Winance Notes can be converted to up to 36,363,636 Shares, assuming conversion is at the Current Floor Price. The effect of Tranche 2 Winance Notes on the capital structure of the Company is set out in section 8.2.

A summary of Listing Rule 7.1 is set in section 8.3. While 500 Tranche 2 Winance Notes have been redeemed, unless they are ratified by Shareholders under Listing Rule 7.4 or 12 months since their issues have passed, the 500 Tranche 2 Winance

Notes will still be counted towards the Company's 15% capacity under Listing Rule 7.1. The purpose of Resolution 5 is to seek Shareholder approval under Listing Rule 7.4 to ratify the issue of the 2,000 Tranche 2 Winance Notes.

If Resolution 5 is passed, the issue of the 2,000 Tranche 2 Winance Notes will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 5 is not passed, the issue will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

9.2 Resolution 6

The terms of the Winance Facility include, among other things, that in the event the share price is less than the Current Floor Price at conversion, the Company will issue the number of Shares equal to the conversion amount divided by the Current Floor Price and pay Winance the Shortfall Cash Payment.

Resolution 6 seeks Shareholder approval under Listing Rule 7.1 to reduce the floor price for the conversion of Winance Notes issued under the Winance Facility (including the Remaining Tranche 2 Winance Notes) from the Current Floor Price for conversion at \$0.055 per Share to a New Floor Price for conversion at \$0.04 per Share. The reason for reducing the floor price is to reduce the risk that the Company must pay a Shortfall Cash Payment to Winance, a liability that reduces the Company's limited cash reserves.

If Resolution 6 is passed, the floor price at which Shares are issued under the Remaining Tranche 2 Winance Notes and any further Notes issued under the Winance Facility will be reduced. The maximum number of Shares that could be issued before and after the change of the floor price is as follows:

	Maximum number of Shares that can be issued under the 1,000 Remaining Tranche 2 Winance Notes
Current Floor Price (\$0.055 per Share)	18,181,818
New Floor Price (\$0.04 per Share)	25,000,000

If Resolution 6 is not passed, the Company cannot reduce the Current Floor Price and the Company will be required to pay the Shortfall Cash Payment to Winance in the event that Winance converts the Remaining Tranche 2 Winance Notes and any further Notes issued under the Winance Facility below the Current Floor Price.

9.3 Resolution 7

As of 5 June 2020, the Company was indebted to Winance for \$118,182, being the Shortfall Cash Payment for conversion of 300 Tranche 2 Winance Notes on 3 June

2020. On 5 June 2020, the Company agreed with Winance to satisfy the \$118,182 Shortfall Cash Payment through the issue of 3,712,122 Shares (**First Winance Debt Conversion Shares**) where:

- (a) 3,030,303 Shares were issued at a price of \$0.03 per Share (being 92% of the lowest closing VWAP on Frankfurt market over 10 days prior to the conversion date) to satisfy \$90,909 Shortfall Cash Payments for the conversion of 200 Tranche 2 Winance Notes (where the 10 days VWAP on Frankfurt market was used to calculate the Shortfall Cash Payments); and
- (b) 681,819 Shares were issued at a price of \$0.04 per Share (being 92% of the lowest closing VWAP on ASX over 10 days prior to the conversion date) to satisfy \$27,273 Shortfall Cash Payments for the conversion of 100 Tranche 2 Winance Notes (where the 10 days VWAP on ASX was used to calculate the Shortfall Cash Payments).

On 5 June 2020, the Company issued the First Winance Debt Conversion Shares with its 15% capacity under Listing Rule 7.1 and without Shareholder approval.

A summary of Listing Rule 7.1 is set in section 8.3. Resolution 7 seeks shareholder approval under Listing Rule 7.4 to ratify the issue of the First Winance Debt Conversion Shares.

If Resolution 7 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 7 is not passed, the issue will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

9.4 Resolution 8

On 20 July 2020, the Company announced that it had agreed with Winance to satisfy a \$90,909 current debt relating to Shortfall Cash Payments owed to Winance as a result of converting 200 Tranche 2 Winance Notes on 20 July 2020 through the issue of 3,030,303 Shares (**Second Winance Debt Conversion Shares**) at an issue price of \$0.03 per Share (**Second Winance Debt Conversion**).

On 20 July 2020, the Company issued the Second Winance Debt Conversion Shares with its 15% capacity under Listing Rule 7.1 and without Shareholder approval.

A summary of Listing Rule 7.1 is set in section 8.3. Resolution 8 seeks shareholder approval under Listing Rule 7.4 to ratify the issue of the Second Winance Debt Conversion Shares.

If Resolution 8 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 8 is not passed, the issue will be included in calculating the Company's

15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

9.5 Resolution 9

On 24 January 2020, the Company issued 500,000 Winance Options, as compensation to Winance for not issuing an event of default notice to the Company in respect to the Winance Facility, with the Company's 15% capacity under Listing Rule 7.1 and without Shareholder approval. The Winance Options have an exercise price of \$0.10 each and an expiry date of 30 June 2020, and otherwise on terms set out in SCHEDULE 2.

A summary of Listing Rule 7.1 is set in section 8.3. While the Winance Options expired on 30 June 2020, they are still counted towards the Company's 15% capacity under Listing Rule 7.1 unless they are ratified by Shareholders under Listing Rule 7.4. Resolution 9 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the 500,000 Winance Options.

If Resolution 9 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 9 is not passed, the issue will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

9.6 Summary of terms of the Winance Notes

A summary of the terms of the Winance Facility and Winance Notes is as follows:

- (a) The Company can draw down up to \$10 million through the issue of convertible notes with a face value of \$1,000 each.
- (b) The Company has:
 - (i) drawn down \$2 million under the Tranche 1 Winance Notes, all of which have been converted into Shares;
 - (ii) drawn down \$2 million under the 2,000 Tranche 2 Winance Notes, of which, 500 Tranche 2 Winance Notes have been converted to Shares and 1,000 Tranche 2 Winance Notes remain outstanding.
- (c) Further drawdowns of up to \$6 million are at the Company's election available in tranches of \$1,000,000 each upon full conversion of the Winance Notes from the previous drawdown, subject to:
 - (i) a cooling off period calculated based on the value of the tranche and average trading volumes during the preceding 60-day period; and
 - (ii) prior approval by the Company's Shareholders for the issue and conversion of the Winance Notes.
- (d) There are no fees or penalties if no subsequent drawdowns are made.

- (e) The issue price for each Winance Note is 100% of the face value (\$1,000).
- (f) The Winance Notes are, subject to prior shareholder approval where required, convertible at any time by the holder at 92% of the lowest closing VWAP over 10 days prior to the conversion date, provided that the conversion price is at least \$0.055 per Share (**Current Floor Price**).
- (g) In the event the conversion price is less than the Floor Price at conversion, the Company will issue the number of Shares equal to the conversion amount divided by the Floor Price with the shortfall amount (calculated based on the conversion amount less value of the number of Shares multiplied by 92% of the lowest closing VWAP over ten (10) days prior to the conversion date) payable in cash.
- (h) In the event the closing VWAP for any 5 trading day period falls below 135% of the Winance Floor Price, Winance may, at its discretion, decline further drawdowns. Drawdowns may resume if the VWAP remains over 135% of the VWAP for 20 consecutive trading days.
- (i) The minimum conversion amount is \$20,000.
- (j) The Winance Notes bear no interest and are unsecured.
- (k) The Winance Notes have a maturity date of 24 months from the date of issue.
- (l) Winance will receive a commitment fee of 5% of the investment amount at the funding of each tranche payable in cash.
- (m) Kapital Global Advisors Limited, the broker who facilitated the Winance Facility, will receive a broker fee of 5% of the investment amount at the funding of each tranche payable in cash.
- (n) In the event of default, Winance is entitled to issue a redemption notice which requires the Company to repay the outstanding amount together with interest at 10% per annum (accruing from issue to redemption).
- (o) The Company gives warranties considered typical for a financing facility of this nature.

9.7 Resolution 5 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the Tranche 2 Winance Notes:

- (a) The securities were issued to Winance, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 2,000 Tranche 2 Winance Notes and which under their terms convert to a maximum of 36,363,636 Shares (assuming an issue price equal to the Current Floor Price).
- (c) The securities issued were Winance Notes, the terms of which are set out in section 9.6. Shares to be issued upon conversion of the Winance Notes will

be fully paid ordinary shares that rank equally in all respect with the existing Shares on issue.

- (d) The issue was made on 10 March 2020.
- (e) The Winance Notes were issued with a face value of \$1,000 per note and the Company received a total of \$1.84 million (being 92% of the face value of the Winance Notes). The Winance Notes can be converted at a price of 92% of the lowest closing VWAP over 10 days prior to the conversion date, subject to the Current Floor Price.
- (f) The use of funds raised under the issue is set out in section 9.1.
- (g) Other than those set out in section 8.1 and this section 9, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

9.8 Resolution 6 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the reduction of the floor price for the Winance Notes issued under the Winance Facility (including the Remaining Tranche 2 Winance Notes):

- (a) The Remaining Tranche 2 Winance Notes were issued to Winance, who is not a related party of the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) 1,000 Remaining Tranche 2 Winance Notes are on issue. The maximum number of Shares may be issued upon conversion of the 1,000 Remaining Tranche 2 Winance Notes with the New Floor Price is 25,000,000 Shares (assuming an issue price equal to the New Floor Price) as compared to 18,181,818 Shares under the Current Floor Price (assuming an issue price equal to the Current Floor Price).

Further drawdowns of up to \$6 million are at the Company's election available in tranches of \$1,000,000 each upon full conversion of Winance Notes from previous drawdowns, subject to the restrictions sets out in section 9.6.

- (c) Other than the floor price which is proposed to be changed from \$0.055 per Share to \$0.04 per Share, the terms of the Remaining Tranche 2 Winance Notes remain unchanged. A summary of those terms is set out in section 9.6 of this Notice. Securities issued on conversion will be fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue.
- (d) The Remaining Tranche 2 Winance Notes have been issued, and it is intended that the change of the Floor Price will become effective upon Shareholder approval at the Meeting.

- (e) The approval is sought to vary the floor price for the 1,000 Remaining Tranche 2 Winance Notes for which the Company received \$920,000 (being 92% of the face value of the 1,000 Remaining Tranche 2 Winance Notes).
- (f) The purpose of the approval is to reduce the floor price for the 1,000 Remaining Tranche 2 Winance Notes, for which the Company received \$920,000, and for any further issue of Notes under the Winance Facility (subject to Shareholder approval, up to \$6 million). The use of funds is set out in section 9.1.
- (g) Other than those set out in section 8.1 and this section 9, there are no other material terms in relation to the Remaining Tranche 2 Winance Notes.
- (h) A voting exclusion statement is included in the Notice.

9.9 Resolution 7 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the First Winance Debt Conversion Shares:

- (a) The securities were issued to Winance, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company is 3,712,122 Shares.
- (c) The securities issued are fully paid ordinary shares that rank equally with existing Shares on issue.
- (d) The issue was made on 5 June 2020.
- (e) for the 3,712,122 Shares:
 - (i) 3,030,303 First Winance Debt Conversion Shares have an issue price of \$0.03 per Share (where the 10 days VWAP on Frankfurt market was used to calculate the Shortfall Cash Payments for conversion of 200 Tranche 2 Winance Notes); and
 - (ii) 681,819 First Winance Debt Conversion Shares have an issue price of \$0.04 per Share (where the 10 days VWAP on ASX was used to calculate the Shortfall Cash Payments for conversion of 100 Tranche 2 Winance Notes).
- (f) No funds were raised from the issue as the issue was made in satisfaction of debts.
- (g) Other than those set out in section 8.1 and this section 9, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

9.10 Resolution 8 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Second Winance Debt Conversion Shares:

- (a) The securities were issued to Winance, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company is 3,030,303 Shares.
- (c) The securities issued are fully paid ordinary shares that rank equally with existing Shares on issue.
- (d) The issue was made on 20 July 2020.
- (e) The Second Winance Debt Conversion Shares have an issue price of \$0.03 per Share.
- (f) No funds were raised from the issue as the issue was made in satisfaction of debts.
- (g) Other than those set out in section 8.1 and this section 9, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

9.11 Resolution 9 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Winance Options:

- (a) The securities were issued to Winance, who is not a related party of the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 500,000 Winance Options.
- (c) The Winance Options have an exercise price of \$0.10 each and an expiry date of 30 June 2020, and are otherwise on terms set out in SCHEDULE 3.
- (d) The Options were issued on 24 January 2020.
- (e) The Winance Options were issued as compensation to Winance for not issuing an event of default notice to the Company with respect to the Winance Facility.
- (f) No funds were raised from the issue as they were issued as compensation for not issuing an event of default notice to the Company with respect to the Winance Facility. The Winance Options have expired and have not been exercised before the expiry date, as such no funds were raised from the Winance Options.
- (g) Other than those set out in section 8.1, this section 9 and SCHEDULE 3, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

9.12 Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolutions 5 to 9. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval. Further, Resolution 6 will reduce the risk that the Company will be required to pay cash amounts to Winance upon conversion of Winance Notes.

10 RESOLUTIONS 10 TO 12 - ISSUE OF SHARES AND OPTIONS TO ENTITIES CONTROLLED BY RELATED PARTIES

10.1 Introduction

As of the date of this Notice, the Company is indebted to entities controlled by Directors and a former Director for the following amounts for consulting/director fees:

Director	Description of services	Amount	Director Debt Conversion Shares to be issued	Director Debt Conversion Options to be issued
Okewood (Tony Sage)	Director consulting fees from February 2020 to May 2020	\$44,000	977,776	977,776
Hollywood Marketing (Malcolm Day)	Non-Executive Director fees from December 2019 to April 2020	\$22,000	488,890	488,890
CRMS (Timothy Turner)	Non-Executive Director fees from March to April 2020 ¹	\$7,948	176,622	176,622
Total	-	\$73,948	1,643,288	1,643,288

¹ As announced on 2 September 2020, Mr Turner resigned as a Director of the Company.

To conserve cash and subject to Shareholder approval, the Board has resolved to satisfy the above debts through the issue of 1,643,288 Director Debt Conversion Shares at an issue price of \$0.045 per Share and 1,643,288 free attaching Director Debt Conversion Options on the basis of one Director Debt Conversion Option for each Director Debt Conversion Share. The Director Debt Conversion Options have an

exercise price of \$0.05 each and an expiry date of 31 July 2022, and are otherwise on terms set out in SCHEDULE 2.

The issues fall within Listing Rule 10.11.1 and do not fall within any of the exceptions under Listing Rule 10.12. They therefore require the Shareholder approval under Listing Rule 10.11. Resolutions 10 to 12 seek shareholder approval under Listing Rule 10.11 for the above issues.

The effect of passing Resolutions 10 to 12 will be to allow the Company to issue securities in satisfaction of those debts in accordance with the Resolutions without those securities being included in the 15% limit under Listing Rules 7.1. If any of the Resolutions 10, 11 or 12 is not passed, the Company will not be able to proceed with the issues to satisfy the above mentioned debts, and will have to seek alternative financing arrangement to satisfy the debts.

The effect of the issues under Resolutions 10 to 12 (assuming shareholders passing such Resolutions) on the capital structure of the Company is set out in section 8.2.

10.2 Regulatory requirements

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes directors of a company and directors within the previous 6 months. Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

As the terms of the issue to the above related parties is the same as the terms of the issue agreed with unrelated third party creditors under Resolution 13, the Board considers the proposed issue to be reasonable in the circumstances as if the Company and its Directors and the former Director were dealing at arm's length so that Shareholder approval is not required under Chapter 2E of the Corporations Act.

The proposed issue of securities to the above mentioned Directors and a former Director (or their nominees) requires Shareholder approval under Listing Rule 10.11. Resolutions 10 to 12 seek Shareholder approval under Listing Rule 10.11 for the issue of securities to entities controlled by the above mentioned Directors and former director within the previous 6 months, and will allow the Company to satisfy claims by such entities whilst conserving cash.

If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the securities to the

above related parties under Listing Rule 10.11 means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

10.3 Resolutions 10 to 12 - Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided about the issue of Shares under Resolutions 10 to 12:

- (a) The persons participating in the issues are the following, each of whom is a related party:
 - (i) Okewood, an entity controlled by Tony Sage, a Director.
 - (ii) Hollywood Marketing, an entity controlled by Malcolm Day, a Director.
 - (iii) CRMS, an entity controlled by Timothy Turner, a Director within the past 6 months.
- (b) Each of the above entities is an entity controlled by a Director or a former Director within the past 6 months, is therefore a related party and subject to Listing Rule 10.11.1.
- (c) The maximum number of securities to be issued is 1,643,288 Director Debt Conversion Shares and 1,643,288 Director Debt Conversion Options. For details, please refer to section 10.1.
- (d) The Director Debt Conversion Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue. The Director Debt Conversion Options have an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise are on the terms and conditions set out in SCHEDULE 2.
- (e) The securities will be issued 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 Listing Rules) and it is intended that the issue will occur on the same date.
- (f) The Shares will be issued at an issue price of \$0.045 per Share to satisfy \$73,948 debts. For details of the debts, please refer to section 10.1. The securities will be issued to the above-named parties (refer to section 10.1) in satisfaction of directors fees and consultancy services provided in acting as Directors, and no funds will be raised from the issue.
- (g) The Directors' current total remuneration packages are as follows:
 - (i) Mr Sage - \$120,000 (plus GST) per annum.
 - (ii) Mr Day - \$48,000 (plus GST) per annum.
 - (iii) Mr Turner - \$48,000 (plus GST) per annum (Mr Turner retired on 2 September 2020).
- (h) Other than those set out in section 8.1, this section 10 and SCHEDULE 2, there are no other material terms in relation to the issue.

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

10.4 Directors recommendation

The Directors refrain from making a recommendation in relation to Resolutions 10 to 12 as they have a personal interest in the Resolutions.

11 RESOLUTION 13- RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO UNRELATED CREDITORS

11.1 Introduction

As announced on 1, 3 and 5 June 2020, to conserve cash, the Company issued a total of 16,235,584 Unrelated Debt Conversion Shares at a deemed issue price of \$0.045 per Share to nine unrelated third party lender and service providers in satisfaction of \$730,600 debts arising from loans and services provided by these parties to the Company under the Unrelated Debt Conversion.

In relation to the Unrelated Debt Conversion Shares, 16,235,584 free attaching Options (**Unrelated Debt Conversion Options**) were also issued to those entities on the basis of one Unrelated Debt Conversion Option for each Unrelated Debt Conversion Share. The Unrelated Debt Conversion Options have an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise are on terms set out in SCHEDULE 2.

The details of the issues are as follows:

Person	Services and debts description	Debt owed	Shares	Options
Ritchie Jay Campbell	Short term loan holder	\$370,323	8,229,391	8,229,391
Alexander Guy	Funds advanced to the Company	\$2,000	44,444	44,444
Bellatrix Corporate Pty Ltd ¹	Accounting and company secretarial services	\$40,500	900,001	900,001
Dietrich Wanke	CEO fees	\$52,500	1,166,675	1,166,675
EVP Investments Pty Ltd	PR and IR services	\$12,100	268,890	268,890
GEO Unterweissacher GmbH	Geological consulting services	\$75,764	1,683,653	1,683,653

Person	Services and debts description	Debt owed	Shares	Options
WH Ireland Limited	NEX advisor and broker retainer fees	\$115,783	2,572,966	2,572,966
Christian Heili	Project Director consulting services	\$36,017	800,376	800,376
Atkinson Corporate Lawyers	Legal services	\$25,613	569,188	569,188
Total	-	\$730,600	16,235,584	16,235,584

¹ The Company Secretary of the Company, Ms Melissa Chapman, is a director of Bellatrix Corporate Pty Ltd.

The Unrelated Debt Conversion Shares and Unrelated Debt Conversion Options (together the **Unrelated Debt Conversion Securities**) were issued with the Company's 15% capacity under Listing Rule 7.1 without Shareholder approval.

A summary of Listing Rule 7.1 is set out in section 8.3. Resolution 13 seeks shareholder approval under Listing Rule 7.4 to ratify the above issues. If Resolution 13 is passed, the issues will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 13 is not passed, the issues will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issues.

The effect of the issues under Resolution 13 on the capital structure of the Company is set out in section 8.2.

11.2 Resolution 13 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issues:

- (a) Shares were issued to the persons (or their nominees) set out in the table under section 11.1 above, who are not related parties of the Company or persons to whom Listing Rule 10.11 applies.
- (b) The number of securities issued was 16,235,584 Unrelated Debt Conversion Shares and 16,235,584 Unrelated Debt Conversion Options, with the details set out in section 11.1 above.
- (c) The Unrelated Debt Conversion Shares issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue. Unrelated Debt Conversion Options have an exercise price of \$0.05 each and

an expiry date of 31 July 2022, and otherwise are on terms set out in SCHEDULE 2.

- (d) The securities were issued between 1-5 June 2020.
- (e) The Unrelated Debt Conversion Shares were issued at a deemed issue price of \$0.045 per Share to satisfy \$730,600 debts. For details of the debts, refer to section 11.1 above. The Unrelated Debt Conversion Options were issued as free attaching Options.
- (f) The issues were made in satisfaction of debts owed by the Company for loans and services provided and no funds were raised from the issues. Funds raised from the exercise of the Unrelated Debt Conversion Options will be used towards the working capital of the Company.
- (g) Other than those set out in section 8, this section 11 and SCHEDULE 2, there are no other material terms in relation to the issues.
- (h) A voting exclusion statement is included in the Notice.

11.3 Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 13. This will restore the Company's 15% capacity permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

12 RESOLUTION 14 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE 2019 PLACEMENT

12.1 Introduction

As announced on 5 November 2019, the Company undertook a placement of 5,000,000 Shares to Orca Capital GmbH, an unrelated party, at an issue price of \$0.085 per Share, raising a total of \$425,000 (**2019 Placement**).

Funds raised from the 2019 Placement were used towards exploration work (around \$403,000) at the Company's Wolfsberg Lithium Project including payments for the phase 1 drilling program, the assay of the drill core samples, surface exploration work, crushing test for DFS, water impact assessment work and Austrian employment taxes. The balance of funds (around \$22,000) relates to administration, legal and rental overhead costs associated with the Company's wholly owned subsidiary in Austria.

The securities under the 2019 Placement were issued using the Company's 15% capacity under Listing Rules 7.1.

A summary of Listing Rule 7.1 is set out in section 8.3. Resolution 14 seeks Shareholders approval under Listing Rule 7.4 to ratify the issue of 5,000,000 Shares under the 2019 Placement.

If Resolution 14 is passed, the issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 14 is not passed, the issue will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months following the issue.

12.2 Resolution 14 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the 2019 Placement:

- (a) The Shares were issued to Orca Capital GmbH, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 5,000,000 Shares.
- (c) The securities issued were fully paid ordinary shares that rank equally with existing Shares on issue.
- (d) The price of the securities issued was \$0.085 per Share.
- (e) The issue was made on 5 November 2019.
- (f) The issue was made to raised funds, a total of \$425,000 were raised from the issue. The use of funds raised from the issue is set out in section 12.1.
- (g) Other than those set out in section 8 and this section 12, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

12.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 14. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

13 RESOLUTION 15 - RATIFICATION OF PRIOR ISSUE OF CORPORATE ADVISOR SHARES AND OPTIONS

13.1 Introduction

On 27 May 2020, the Company announced that it has entered into a strategic engagement agreement with Talaxis Limited which includes the appointment of Talaxis Limited and Noble Group Holdings Limited executive Daniel Mamadou-Blanco as a strategic advisor to the Company.

The strategic engagement agreement was introduced and managed by corporate advisory firm, Empire Capital Partners (**Empire Capital**). On 29 May 2020, pursuant to a mandate with Empire Capital for the provision of the services (**Empire Capital Mandate**), the Company issued Empire Capital 2,000,000 fully paid ordinary shares (**Corporate Advisor Shares**) and 2 million Options with an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise are on terms set out in SCHEDULE 2 (**Corporate Advisor Options**).

The 2,000,000 Corporate Advisor Shares and the 2,000,000 Corporate Advisor Options (together the **Corporate Advisor Securities**) were issued with the Company's 15% capacity under Listing Rule 7.1.

A summary of Listing Rule 7.1 is set out in section 8.3. Resolution 15 seeks shareholder approval under Listing Rule 7.4 to ratify the issue of the Corporate Advisor Securities.

If Resolution 15 is passed, the issues will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 15 is not passed, the issue will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively limiting the number of equity securities it can issue without Shareholder approval over the 12 months.

13.2 Resolution 15 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Corporate Advisor Securities:

- (a) The securities were issued to Empire Capital Partners, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 2,000,000 Corporate Advisor Shares and 2,000,000 Corporate Advisor Options.
- (c) The Corporate Advisor Shares are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue. The Corporate Advisor Options have an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise are on terms set out in SCHEDULE 2.
- (d) The issues were made on 29 May 2020.
- (e) The Corporate Advisor Shares were issued at a deemed issue price of \$0.045 per Share for nil cash consideration. The Corporate Advisor Options were issued as free attaching Options to the Corporate Advisor Shares.
- (f) The Corporate Advisor Securities were issued for services provided by Empire Capital for services under the Empire Capital Mandate as the Company's corporate advisor. No funds were raised from the issue as they were issued for services provided by Empire Capital Partners under the Empire Capital

Mandate. Funds raised from the exercise of the Corporate Advisor Options will be used towards working capital of the Company.

- (g) Other than those set out in section 8.1, this section 13 and SCHEDULE 2, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

13.3 Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 15. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

14 RESOLUTIONS 16 TO 20 - RATIFICATION AND APPROVAL OF ISSUE OF SECURITIES RELATING TO THE PLACEMENT

14.1 Introduction

As announced on 22 September and 23 September 2020, the Company issued 46,363,643 Placement Shares at a price of \$0.045 per Share to institutional and sophisticated investors to raise \$2.1 million.

Subject to Shareholder approval under Listing Rule 7.1, 11,590,911 free attaching Placement Options will be issued to the participants of the Placement, on the basis of 1 Placement Option for every four Shares issued. The Placement Options have an exercisable price of \$0.05 each and an expiration date of 31 July 2022, and otherwise are on the terms set out in SCHEDULE 4 .

Fund raised under the Placement will be used towards the development of the Wolfsberg Lithium Project and general working capital purposes. With the proposed development strategy set out for the project (refer to section 7.1 for details), the Company proposes that funds raised will be broadly used as follows:

Use of funds	Amount (approximately)
Progression of the Definitive Feasibility Study for the Wolfsberg Lithium Project	\$775,415
Metallurgical test work to confirm end-products for key customers and markets	\$139,400
Redeem 500 Winance Notes	\$636,364
Working capital of the Company	\$535,185
Total	\$2,086,364

The Placement was lead-managed by Empire Capital Partners (and coordinated by Kapital Global). The Company will pay:

- (a) Empire Capital Partners a lead manager fee consisting of:
 - (i) 6% on the amount raised - \$81,000, being 6% of \$1,350,000 raised through Empire Capital Partners (**Lead Manager Fee**); and
 - (ii) subject to Shareholder approval, 2,400,000 Placement Options to Empire Capital Partners (or its nominee).
- (b) Kapital Global (or its nominee), subject to Shareholder approval, 5,000,000 Placement Options.

The 46,363,643 Placement Shares were issued on 22 and 23 September 2020 using the Company's 10% capacity under Listing Rule 7.1A.

As announced on 23 September 2020, the Company issued 1,800,000 Lead Manager Shares to Empire Capital Partners using the Company's 15% capacity under Listing Rule 7.1 in satisfaction of the Lead Manager Fee.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1A.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A, then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issues have been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issues.

Resolution 16 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the 46,363,643 Placement Shares.

Resolution 17 seeks Shareholder approval under Listing Rule 7.1 for the Company to issue the 11,590,911 Placement Options as free attaching Options to the participants of the Placement.

Resolution 18 seeks Shareholder approval under Listing Rule 7.1 for the Company to issue the 2,400,000 Placement Options to the lead manager of the Placement.

Resolution 19 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of 1,800,000 Lead Manager Shares.

Resolution 20 seeks Shareholder approval under Listing Rule 7.1 for the Company to issue the 5,000,000 Placement Options to Kapital Global.

Effect on the capital structure of the Company and dilution effect from the issue and the proposed issues under Resolutions 16 to 20 and the other issues and proposed issues (the subject of the Resolutions under this Notice) is set out in section 8.2.

If Resolution 16 is passed, the issues will be excluded in calculating the Company's 10% limit under Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issues. If Resolution 16 is not passed, the issues will be included in calculating the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A over the 12 months following the issues.

If Resolution 17 is passed, the Company will be able to proceed with the issue. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1. If Resolution 17 is not passed, the Company will not be able to proceed with the issue and will have to negotiate on alternative arrangement to compensate the participants of the Placement for not issuing the Placement Options.

If Resolution 18 is passed, the Company will be able to proceed with the issue. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1. If Resolution 18 is not passed, the Company will not be able to proceed with the issue and will have to negotiate on alternative arrangement to compensate the lead manager, Empire Capital Partners, for not issuing the Placement Options.

If Resolution 19 is passed, the issues will be excluded in calculating the Company's 10% limit under Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the issues. If Resolution 19 is not passed, the issues will be included in calculating the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A over the 12 months following the issues.

If Resolution 20 is passed, the Company will be able to proceed with the issue. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1. If Resolution 20 is not passed, the Company will not be able to proceed with the issue and will have to negotiate on alternative arrangement to compensate Kapital Global, for not issuing the Placement Options.

14.2 Resolution 16 -Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Placement Shares:

- (a) The securities were issued to institutional and sophisticated investors lead-managed by Empire Capital Partners (and coordinated by Kapital Global), who are not related parties to the Company or otherwise persons to whom Listing Rule 10.11 applies, a member of the Company's Key Management Personnel, a substantial Shareholder of the Company, an advisor to the Company or an associate of such persons.
- (b) The number of securities issued by the Company is 46,363,643 Placement Shares.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue.
- (d) The issues were made on around 22 September 2020 (for 44,363,643 Shares) and 23 September 2020 (for 2,000,000 Shares).
- (e) The Placement Shares were issued at a deemed issue price of \$0.045 per Share.
- (f) The Placement Shares were issued to raise funds, a total of \$2.1 million are raised from the issue. The intended use of funds is set out in section 14.1.
- (g) Other than those set out in section 8.1 and this section 14, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

14.3 Resolution 17 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Placement Options:

- (a) The Placement Options will be issued to institutional and sophisticated investors lead-managed by Empire Capital Partners (and coordinated by Kapital Global), who are not related parties to the Company or otherwise persons to whom Listing Rule 10.11 applies, a member of the Company's Key Management Personnel, a substantial Shareholder of the Company, an advisor to the Company or an associate of such persons.
- (b) The number of securities to be issued is 11,590,911 Placement Options.
- (c) The securities to be issued are Options which have an exercisable price of \$0.05 each and an expiration date of 31 July 2022, and otherwise are on the terms and condition set out in SCHEDULE 4.
- (d) The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

- (e) The Placement Options will be issued as free attaching Options to the participants under the Placement for nil cash consideration.
- (f) No Funds will be raised from the issue of the Placement Options as they are issued as free attaching Options. Funds raised from the exercise of the Placement Options will be used towards working capital of the Company.
- (g) As of the date of this Notice, other than those set out in section 8.1, this section 14 and SCHEDULE 4, there are no other material terms relating to the proposed issue.
- (h) A voting exclusion statement is included in the Notice.

14.4 Resolution 18 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Placement Options to the lead manager of the Placement:

- (a) The Placement Options will be issued to the lead manager of the Placement, Empire Capital Partners (or its nominee), who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities to be issued is 2,400,000 Placement Options.
- (c) The securities to be issued are Options which have an exercisable price of \$0.05 each and an expiration date of 31 July 2022, and otherwise are on the terms and condition set out in SCHEDULE 4.
- (d) The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Placement Options will be issued for nil cash consideration but as part of the remunerations for Empire Capital Partners to act as the lead manager of the Placement.
- (f) No Funds will be raised from the issue of the Placement Options as they are issued to remunerate Empire Capital Partners to act as the lead manager of the Placement. Funds raised from the exercise of the Placement Options will be used towards working capital of the Company.
- (g) As of the date of this Notice, other than set out in section 8.1, this section 14 and SCHEDULE 4, there are no other terms relating to the proposed issue.
- (h) A voting exclusion statement is included in the Notice.

14.5 Resolution 19 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Lead Manager Shares:

- (a) The securities were issued to Empire Capital Partners, who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.

- (b) The number of securities issued by the Company was 1,800,000 Lead Manager Shares.
- (c) The Lead Manager Shares are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue.
- (d) The issue was made on 23 September 2020.
- (e) The Lead Manager Shares were issued at a deemed issue price of \$0.045 per Share to satisfy the Lead Manager Fee for Empire Capital Partners to act as the Lead Manager of the Placement.
- (f) The Lead Manager Shares were issued to satisfy the Lead Manager Fee for Empire Capital Partners to act as the Lead Manager of the Placement. No funds were raised from the issue.
- (g) Other than those set out in section 8.1 and this section 14, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

14.6 Resolution 20 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Placement Options to Kapital Global:

- (a) The Placement Options will be issued to Kapital Global (or its nominee), who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities to be issued is 5,000,000 Placement Options.
- (c) The securities to be issued are Options which have an exercisable price of \$0.05 each and an expiration date of 31 July 2022, and otherwise are on the terms and condition set out in SCHEDULE 4.
- (d) The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Placement Options will be issued for nil cash consideration but as part of the remunerations for Kapital Global coordinating the Placement.
- (f) No Funds will be raised from the issue of the Placement Options as they are issued to remunerate Kapital Global for coordinating the Placement. Funds raised from the exercise of the Placement Options will be used towards working capital of the Company.
- (g) As of the date of this Notice, other than set out in section 8.1, this section 14 and SCHEDULE 4, there are no other terms relating to the proposed issue.
- (h) A voting exclusion statement is included in the Notice.

14.7 Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 16. These will restore the Company's 10% annual limit permitted by Listing Rule 7.1A and allow the Company to issue further securities as permitted by Listing Rule 7.1A without Shareholder approval.

The Directors unanimously recommends that Shareholders vote in favour of Resolutions 17, 18 and 20. These will allow the Company to issue securities while preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

The Directors unanimously recommends that Shareholders vote in favour of Resolution 19. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities as permitted by Listing Rule 7.1 without Shareholder approval.

SCHEDULE 1 GLOSSARY

\$ or A\$ means Australian dollars.

2019 Placement has the meaning given in section 8.1(d).

2019 Placement Shares has the meaning given in section 8.1(d).

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

ASX Listing Rules means the Listing Rules of ASX.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means European Lithium Limited (ACN 141 450 624).

Constitution means the Company's constitution.

Corporate Advisor Option means an Option with an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise on the terms in SCHEDULE 2.

Corporate Advisor Shares has the meaning given in section 8.1(e).

Corporate Advisor Securities has the meaning given in section 8.1(e).

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

Current Floor Price means the current floor price of \$0.055 per Share for the conversion of the Winance Notes.

Debt Conversion has the meaning given in section 8.1(a).

Directors means the current directors of the Company.

Directors Debt Conversion has the meaning given in section 8.1(b).

Director Debt Conversion Options means an Option with an exercise price of \$0.05 each and an expiry date of 31 July 2022, and otherwise on the terms in SCHEDULE 2.

Empire Capital means Empire Capital Partners.

Empire Capital Mandate has the meaning given in section 13.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

First Winance Debt Conversion has the meaning given in section 8.1(a).

First Winance Debt Conversion has the meaning given in section 8.1(a).

Kapital Global means Kapital Global Advisors Limited.

Lead Manager Fee has the meaning given in section 8.1(f).

Lead Manager Shares has the meaning given in section 8.1(f).

New Floor Price mean a new floor price of \$0.04 per Share for the conversion of the Winance Notes.

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

Option means an option to be issued a Share.

Placement has the meaning given in section 8.1(f).

Placement Shares has the meaning given in section 8.1(f).

Placement Options has the meaning given in section 8.1(f).

Proxy Form means the proxy form accompanying the Notice.

Relevant Period has the meaning given in Listing Rule 7.1.

Remaining Tranche 2 Winance Notes has the meaning given in section 8.1(a).

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

Second Winance Debt Conversion has the meaning given in section 8.1(a).

Second Winance Debt Conversion Shares has the meaning given in section 8.1(a).

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Shortfall Cash Payment has the meaning given in section 8.1(a).

Tranche 1 Winance Notes has the meaning given in section 8.1(a).

Tranche 2 Winance Notes has the meaning given in section 8.1(a).

Unrelated Debt Conversion has the meaning given in section 8.1(c).

Unrelated Debt Conversion Options has the meaning given in section 8.1(c).

Unrelated Debt Conversion Shares has the meaning given in section 8.1(c).

Winance means Winance Investment LLC.

Winance Facility has the meaning given in section 8.1(a).

Winance Option means an Option with an exercise price of \$0.10 each and an expiry date of 30 June 2020, and otherwise on the terms in SCHEDULE 3.

Winance Note means a convertible notice issued under the Winance Facility.

WST means Western Australian Standard Time.

SCHEDULE 2 OPTION TERMS AND CONDITIONS

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

The amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) Expiry Date

Each Option will expire on 31 July 2022 (**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; and
- (ii) 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.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) 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.

(k) 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.

(l) Transferability

The Options are not transferable without consent of the Board.

SCHEDULE 3 OPTION TERMS AND CONDITIONS

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 June 2020 (**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) Allot and 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 (g)(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) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options

(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 TERMS AND CONDITIONS OF THE PLACEMENT OPTIONS

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

The amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) Expiry Date

Each Option will expire on 31 July 2022 (**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; and
- (ii) 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.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) 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.

(k) 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.

(l) Transferability

The Options are not transferable without consent of the Board.

SCHEDULE 5 INFORMATION REQUIRED BY LISTING RULE 7.1A.3

Issue 1	
Date of issue:	22 September and 23 September 2020.
Number issued:	46,363,643 Shares, representing 5.52% of the total number of equity securities on issue at the commencement of the 12 month period before the Meeting, being 839,560,050 equity securities (referring to announcement on 11 October 2019).
Class/Type of equity security:	Fully paid ordinary shares.
Names of persons who received securities or basis on which those persons was determined:	Institutional and sophisticated investors lead-managed by Empire Capital Partners (and coordinated by Kapital Global).
Price:	\$0.045 per share (actual).
Discount to market price (if any):	93.75% of the 15 day VWAP (\$0.048) prior to the agreement as announced on 2 September 2020.
Cash received	\$2.1 million.
Use of proceed	Refer to section 14.1.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00 AM (AWST) on Wednesday, 28 October 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 184482

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form


Please mark  to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of European Lithium Limited hereby appoint

☐ the Chairman of the Meeting **OR**


 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of European Lithium Limited to be held at 32 Harrogate Street, West Leederville, WA 6007 on Friday, 30 October 2020 at 9:00AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 10, 11 and 12 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 10, 11 and 12 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 10 11 and 12 by marking the appropriate box in step 2.

STEP 2 Items of Business

 **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain			For	Against	Abstain
1 Remuneration Report (NonBinding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Issue of Shares and Options to Hollywood		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Mr Tony Sage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Issue of Shares and Options to CRMS		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Mr Kimon Gkomozi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Ratification of prior issue of Shares and Options to unrelated Creditors		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Ratification of prior issue of Shares under the 2019 Placement		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue of Securities under Winance facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Ratification of prior issue of Corporate Advisor Shares and Options		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to reduce the floor price for the remaining Winance Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16 Ratification of prior issue of Shares under the Placement		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of prior issue of Shares - Winance debt conversion 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17 Approval to issue free attaching Options under the Placement		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Ratification of prior issue of Shares - Winance debt conversion 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18 Approval to Issue Placement Options - Empire Capital Partners		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Ratification of prior issue of Winance Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19 Ratification of prior issue of Shares - Empire Capital Partners		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Issue of Shares and Options to Okewood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	20 Approval to Issue Placement Options - Kapital Global		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / _____ / _____

Date

EUR

2 6 8 8 5 4 A



Computershare 