



28 October 2024

**ASX Market Announcements
Via e-lodgment**

Dear Shareholders

ANNUAL GENERAL MEETING – NOTICE AND PROXY FORM

Notice is hereby given that an Annual General Meeting (Meeting) of Shareholders of Resource Development Group Limited (ACN 149 028 142) (Company) will be held at HLB Mann Judd, Level 4, 130 Stirling Street Perth Western Australia 6000 on Friday, 29 November 2024 at 10.00am (WST).

In accordance with the Treasury Laws Amendment (2021 Measures No.1) Act 2021, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting. Questions should also be submitted in advance of the meeting as this will provide management with the best opportunity to prepare for the meeting, for example by preparing answers in advance to Shareholder questions. However, votes and questions may also be submitted during the Meeting.

Please find below links to important Meeting documents:

Notice of Meeting and Explanatory Memorandum:

<https://www.resdevgroup.com.au/investor-relations/asx-announcements/>

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents), where you can find your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab. If you are unable to access the Notice of Meeting and Explanatory Memorandum online please contact the Company Secretary, Michael Kenyon, on +61 8 9443 2928 or via email at michael.kenyon@resdevgroup.com.au.

Sincerely

**Michael Kenyon
Company Secretary**

This announcement is authorised for market release by the Company Secretary of the Company.

RESOURCE DEVELOPMENT GROUP LIMITED
ACN 149 028 142
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am (WST)
DATE: 29 November 2024
PLACE: HLB Mann Judd
Level 4
130 Stirling Street
PERTH WA 6000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (WST) on 27 November 2024.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2024."

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

A voting prohibition statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MARK WILSON

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

"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mark Wilson, a Director, retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – APPROVAL TO ISSUE MD PERFORMANCE RIGHTS TO ANDREW ELLISON

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

"That, for the purposes of ASX Listing Rules 10.14 and 10.19, sections 200B, 200E and 208 of the Corporations Act, and for all other purposes, Shareholders approve the issue of 21,090,909 MD Performance Rights to Managing Director Andrew Ellison or his nominee under the Plan on the terms and conditions set out in the Explanatory Statement".

A voting prohibition statement applies to this Resolution. Please see below.

Dated: 28 October 2024

By order of the Board



Michael Kenyon
Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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 (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <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 though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 3	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on these Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on the Resolutions. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolutions are connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 3 – Approval to issue MD Performance Rights to Mr Andrew Ellison	<p>A person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or an officer of the entity or any of its child entities who is entitled to participate in a termination benefit under the Plan, or any of Associate of that person or persons.</p>
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However, this does not apply to a vote cast in favour of the Resolution by:

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

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9443 2928.

EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

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

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

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

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

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

1.2 Voting consequences

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

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

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

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

1.3 Previous voting results

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

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MARK WILSON

2.1 General

Clause 14.2 of the Constitution requires that one third of Directors (excluding the Managing Director) or, if their number is not a multiple of 3, then the number nearest one third (rounded up in the case of doubt) must retire at each annual general meeting of the Company provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

ASX Listing Rule 14.4 provides that a Director must not hold office, without re-election, past the third annual meeting following the Director's appointment or 3 years, whichever is longer.

The Company currently has 3 Directors and, therefore, one Director must retire under Clause 14.2.

Mr Wilson, who was re-elected as a Director by Shareholders on 28 November 2022, will retire pursuant to Clause 14.2 of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election as a Director.

2.2 Qualifications and other material directorships

Mr Wilson is an experienced senior executive with a strong track record in development and implementation of business strategy, balance sheet management, organisational design, project management, and transaction execution. He has held senior positions in several Australian and international companies, including Laing O'Rourke, Multiplex and Brookfield Multiplex. He holds a Bachelor of Commerce (Finance) and Bachelor of Laws from the University of New South Wales and has a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (FINSIA). Mr. Wilson was appointed as the Chief Financial Officer of Mineral Resources Limited in August 2018 and also became the joint Company Secretary in October 2018.

2.3 Independence

Mr Wilson is not considered to be an independent Director.

2.4 Board recommendation

The Board (other than Mr Wilson who has a material personal interest in the Resolution) has reviewed Mr Wilson's performance since his appointment to the Board and considers that Mr Wilson's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Wilson) supports the re-election of Mr Wilson and recommends that Shareholders vote in favour of this Resolution.

3. RESOLUTION 3 - ISSUE OF MD PERFORMANCE RIGHTS TO ANDREW ELLISON

3.1 General

The Board has agreed, subject to obtaining Shareholder approval, to issue a total of 21,090,909 Performance Rights to the Company's Managing Director, Mr Andrew Ellison (or his nominees) under the Company's Incentive Awards Plan (**Plan**) as a long-term incentive tied to Mr Ellison's and the Company's performance for the financial year ending 30 June 2025 (**MD Performance Rights**).

The MD Performance Rights have a nil issue price and once vested can be exercised for nil cost into Shares on a one for one basis. The MD Performance Rights will expire four years after issue.

The MD Performance Rights are subject to vesting conditions tied to Mr Ellison's and the Company's FY25 performance as detailed in Schedule 1. The Board will assess achievement against these vesting conditions following release of the Company's FY25 audited accounts and determine the percentage of MD Performance Rights that are capable of vesting. This percentage will then vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2027.

The number of MD Performance Rights was determined by dividing the maximum possible LTI portion of Mr Ellison's FY25 compensation (being \$580,000, or 80% of his base salary of \$725,000) by the 20 days VWAP Share Price to 4 October 2024 of \$0.0275.

Resolution 3 seeks Shareholder approval for the grant of the MD Performance Rights to Mr Ellison (or his nominee) under the Plan.

3.2 Related Party Transaction

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

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

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

Mr Ellison is a related party of the Company by virtue of being a Director of the Company. Accordingly, the proposed issue of the MD Performance Rights constitutes the giving of a financial benefit to a related party of the Company.

It is the view of Directors that the exceptions set out in sections 210 to 216 of the Corporations Act may not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the MD Performance Rights to the Mr Ellison (or his nominee) in accordance with section 208 of the Corporations Act.

3.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

- (a) a director of the Company (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3).

Mr Ellison falls into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. Accordingly, the Company is seeking Shareholder approval for the issue of the MD Performance Rights. Resolutions 6 and 7 are independent of each other.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the MD Performance Rights as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the MD Performance Rights to Mr Ellison (or his nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

If Resolution 3 is passed, the Company will be able to proceed with the issue of the MD Performance Rights to Mr Ellison (or his nominees).

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the MD Performance Rights to Mr Ellison (or his nominees) and the Company will need to consider alternate arrangements, which may include cash payments made in accordance with the Company's ordinary remuneration process.

3.4 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.14)

In accordance with the requirements of Section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the MD Performance Rights.

- (a) The MD Performance Rights will be issued under the Plan to Mr Ellison (or his nominees).
- (b) Mr Ellison falls into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. If the MD Performance Rights are granted to a nominee of Mr Ellison, the nominee will be an Associate of Mr Ellison and fall under Listing Rule 10.14.2.
- (c) The total number of MD Performance Rights proposed to be issued to Mr Ellison (or his nominees) is 21,090,909 MD Performance Rights.
- (d) The current total remuneration package of Mr Ellison (inclusive of superannuation, cash bonuses and equity-based remuneration) for the current financial year, and for the previous two financial years, is as follows. This is in addition to the MD Performance Rights proposed to be granted under Resolution 3.

Current financial year to 30 June 2025 (estimate) ⁽¹⁾	Financial year Ended 30 June 2024 ⁽²⁾	Financial year Ended 30 June 2023 ⁽³⁾
\$752,792	\$948,107	\$525,296

Notes:

1. Comprising \$725,000 base salary and \$27,792 superannuation.
 2. Comprising \$725,000 base salary for part of the year, \$182,250 in cash bonuses, \$27,399 superannuation and \$69,708 in equity based payments (performance rights).
 3. Comprising \$500,000 base salary and \$25,296 superannuation.
- (e) Mr Ellison (and his associates) has previously been issued a total of 17,344,789 Performance Rights under the Plan for a nil acquisition price as detailed in the Company's FY23 AGM notice of meeting.
- (f) The material terms of the MD Performance Rights are set out in Schedule 1.
- (g) The Board considers that MD Performance Rights, rather than Shares, are an appropriate form of incentive on the basis that:
- (i) the MD Performance Rights retain and reward Mr Ellison for the achievement of short and long-term business objectives;
 - (ii) Shareholders can readily ascertain and understand the performance milestones which are required to be satisfied for the MD Performance Rights to vest and the number of Shares to which they relate (i.e. each MD Performance Right is a right to be issued one Share upon the satisfaction of the relevant vesting conditions);
 - (iii) Mr Ellison will only obtain the value of the MD Performance Rights and exercise the MD Performance Rights into Shares upon satisfaction of the performance milestones; and
 - (iv) Performance Rights are simple to understand, likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives for successfully delivering long objectives of the Company.
- (h) The Company has valued the MD Performance Rights as having the value equal to the value of a Share, which will therefore change depending on the Share price over time. Based on the 20 days VWAP Share price to 4 October 2024 of \$0.0275, the MD Performance Rights have a value of \$580,000.
- (i) The MD Performance Rights will be issued to Mr Ellison (or his nominees) as soon as practicable following the Meeting, but no later than 3 years after the date of the Meeting.
- (j) The MD Performance Rights will be issued for nil cash consideration and will be provided as an incentive component to Mr Ellison's remuneration package.
- (k) A summary of the material terms of the Incentive Awards Plan is in Schedule 2.
- (l) No loan will be made to Mr Ellison (or his nominees) in respect to the issue of the MD Performance Rights.

- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (m) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (n) A voting exclusion statements is included in the Notice.
- (o) As at the date of this Notice of Meeting, Mr Ellison has the following relevant interest in the following Company securities (excluding the MD Performance Rights proposed to be granted under this Notice of Meeting).

Shares⁽¹⁾	Options⁽²⁾	Performance Rights⁽³⁾
141,333,058	3,053,435	17,344,789

Notes:

1. 138,983,058 Shares held indirectly by Seafire Holdings Pty Ltd ATF the Seafire Trust. 2,350,000 Shares held indirectly by Andrew Blair Ellison & Serena Maxine Ellison ATF AB & SM Ellison Superannuation Fund.
 2. 3,053,435 unlisted Options (\$0.049 exercise price, 13/6/2025 expiry). Held indirectly by Andrew Blair Ellison & Serena Maxine Ellison ATF AB & SM Ellison Superannuation Fund.
 3. 4,040,020 FY23 Performance Rights and 13,303,769 FY24 Performance Rights. Held indirectly by Andrew Blair Ellison & Serena Maxine Ellison ATF AB & SM Ellison Superannuation Fund. Refer to material terms and conditions in FY23 Notice of Annual General Meeting.
- (p) If all of the MD Performance Rights are granted under Resolution 3 Mr Ellison (or his nominees) and vest and are exercised, a total of 21,090,909 Shares would be allotted and issued. This will increase the number of Shares on issue from 2,950,858,124 to 2,971,949,033 (assuming that no other Options or Performance Rights are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by 0.7%.
 - (q) The trading history of the Shares on ASX in the 12 months before the date of this Notice of Annual Meeting is set out below:

	Price	Date
Highest	\$0.050	11 October 2023
Lowest	\$0.024	4 September 2024
Last	\$0.028	15 October 2024

- (r) The primary purpose of the grant of the MD Performance Rights to Mr Ellison (or his nominees) is to provide a performance linked incentive component in the overall remuneration package for Mr Ellison to motivate and reward his performance in his role as Managing Director and to assist the Company in retaining his services and expertise in a

manner which does not unduly impact on the cash reserves of the Company.

- (s) The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the MD Performance Rights upon the terms proposed. The vesting performance criteria attached to the MD Performance Rights aim to ensure that significant value is created prior to the MD Performance Rights vest.

3.5 Sections 200B and 200E of the Corporations Act

Section 200B of the Corporations Act generally provides that, subject to specific exceptions, Shareholder approval is required under Section 200E of the Corporations Act for the giving of benefits to a person occupying a managerial or executive office with the Company in connection with their retirement from a managerial or executive office. The term 'benefits' is widely defined.

The Plan, and the terms and conditions of grant of MD Performance Rights under the Plan to Mr Ellison (or his nominees), contain a number of provisions which may operate to entitle Mr Ellison (or his nominees) to an early vesting of the MD Performance Rights and/or in different circumstances than might otherwise be the case in connection with their ceasing to hold a managerial or executive office with the Company. Some of the relevant provisions in the Plan (or terms and conditions) are subject to the Board exercising their discretion to allow such exercise (whether by waiving vesting conditions or extending the period for vesting or resolving that unvested Performance Rights do not lapse when otherwise they would).

These may constitute a "benefit" for the purposes of section 200B of the Corporations Act.

The value of any such benefits which may be given to Mr Ellison (or his nominees) cannot presently be ascertained but matters, events and circumstances that may, or will, affect the calculation of that value include:

- (a) the number of MD Performance Rights held by Mr Ellison (or his nominees);
- (b) the number of MD Performance Rights that vest early or do not lapse when otherwise they would;
- (c) the price of Shares on the ASX on the date of ceasing to hold a managerial or executive office with the Company;
- (d) the status of any vesting conditions or other conditions for the MD Performance Rights and the Board's assessment of the performance of Mr Ellison up to the date of ceasing;
- (e) Mr Ellison's length of service and the extent to which he has served any applicable notice period; and
- (f) the reasons for ceasing to hold a managerial or executive office with the Company.

The Company has valued the MD Performance Rights as equal to the value of a Share, as detailed above.

Shareholder approval is sought under section 200E of the Corporations Act to the giving of any benefit to Mr Ellison (or his nominees) in connection with his future cessation of office or position with the Company under the terms of the Plan (or terms and conditions of grant) in relation to the MD Performance Rights, including as a result of any future exercise of a discretion by the Board under the terms of the Plan or the terms and conditions of the MD Performance Rights.

If Shareholder approval is given, the value of the benefit may be disregarded when applying Section 200F(2)(b) or Section 200G(1)(c) of the Corporations Act (i.e. the benefits will not count towards the statutory caps that apply to benefits that may be given without shareholder approval).

Mr Ellison has advised that he have no current intention to resign from his position with the Company.

3.6 Listing Rule 10.19

Listing Rule 10.19 provides that, without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to the ASX under the Listing Rules.

Section 3.5 above notes that the Plan, and the terms and conditions of grant of Awards under the Plan to Mr Ellison (or his nominees) contain a number of provisions which may constitute benefits for the purposes of section 200B of the Corporations Act. These provisions may also constitute termination benefits for the purposes of ASX Listing Rule 10.19. As such, the Company is also seeking Shareholder approval for these benefits to be given.

If Shareholders approve Resolution 3, the value of the benefits will not be counted towards the 5% cap set out in Listing Rule 10.19.

3.7 Directors' recommendations

Mr Ellison declines to make a recommendation to Shareholders in relation to Resolution 3 relating to the issue of MD Performance Rights to him (or his nominee) due to his material personal interest in the outcome of the Resolution. Each of the other Directors, being Mr Mike Grey and Mr Mark Wilson, recommends that Shareholders vote in favour of Resolution 3 for the following reasons:

- (a) the issue of MD Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Ellison (or his nominees); and
- (b) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the MD Performance Rights upon the terms proposed.

In forming their various recommendations, each Director considered the qualifications and experience of Mr Ellison, the current market price of Shares, the current market practices when determining the number of MD Performance Rights to be issued as well as the expiry date, vesting conditions and other material terms of those MD Performance Rights.

Except as specified above, no other Director has a personal interest or other interest in the outcome of Resolution 3.

The Board is not aware of any information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 3.

Approval pursuant to ASX Listing Rule 7.1 is not required to issue the MD Performance Rights to Mr Ellison (or his nominees) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of MD Performance Rights to Mr Ellison (or his nominees) will not be included in the 15% calculation of the Company's twelve month capacity to issue Shares or other securities without shareholder approval pursuant to ASX Listing Rule 7.1.

3.8 Voting Prohibition – Section 224 of the Corporations Act

Sections 224(1) and (2) of the Corporations Act provide that a vote may not be cast (in any capacity) by or on behalf of the related party to whom the resolution would permit a financial benefit to be given (or an associate of that person) other than a vote cast a proxy by a person in writing that specifies how the proxy is to vote on the proposed resolution and which is not cast on behalf of the relevant related party (or an associate of that person).

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Resource Development Group Limited (ACN 149 028 142).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

MD Performance Rights means the Performance Rights the subject of Resolution 3 proposed to be issue on the material terms set out in Schedule 1.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Plan means the Company's Incentive Awards Plan as summarised in Schedule 3.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2024.

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

Section means a section of the Explanatory Statement.

Security means a Share and/or Option.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – MATERIAL TERMS OF MD PERFORMANCE RIGHTS

(a) **Plan**

- (i) The MD Performance Rights) will be issued for nil cash consideration pursuant to and in accordance with the Plan, as summarised in Schedule 2.
- (ii) In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

(b) **Entitlement**

Each MD Performance Right once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company.

(c) **Vesting**

Subject to the achievement of the applicable Vesting Conditions below, the MD Performance Right will vest and become capable of exercise.

- (i) The MD Performance Rights are subject to Vesting Conditions relating to Mr Ellison and the Company's performance for the financial year ending 30 June 2025 in the categories of:
 - (A) Sustainability (20% weighting): Safety (TRIFR below 4), Zero Harm (zero heritage incidents leading to prosecution or public controversy, zero high impact environmental incidents);
 - (B) Strategic growth targets (30% weighting): Progression of red mud project or manganese project to a point at which the Company is prepared to commit capital;
 - (C) Financial management (30% weighting): Achieving annualised production rate for garnet of 110ktpa over a period of two consecutive months; and
 - (D) Organisational culture (20% weighting): Improve retention rates by 10%, development and deployment of new company values, implementation of a Code of Conduct.

The Board will assess achievement against the Vesting Conditions following release of the Company's FY25 audited accounts and determine the percentage of MD Performance Rights that are capable of vesting.

This percentage will then vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2027 provided that, unless the Board resolves otherwise, if he ceases to be Managing Director after the Board has determined the percentage of MD Performance Rights capable of vesting but before vesting occurs, a proportion of the MD Performance Rights will vest, being a proportion equal to the proportion of the period 30 June 2025 to 30 June 2027 that has elapsed.

(d) **Exercise price**

No amount is payable to exercise of an MD Performance Right.

(e) **Expiry**

The MD Performance Rights will expire at 5:00pm (WST) on the date that is four years after the issue date.

(f) **Change of Control**

In the event of a Change of Control, the holder shall be entitled to retain all vested MD Performance Rights.

Any MD Performance Rights will automatically accelerate and vest in full upon the Change of Control and the holder shall be entitled to retain the same.

(g) **Reorganisation of Capital**

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of the holder of the MD Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

(h) **Participating Rights**

There are no participating rights or entitlements inherent in the MD Performance Rights and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company without exercising the MD Performance Rights.

(i) **Change in Number**

There is no right to a change in the number of underlying Shares over which a MD Performance Right can be exercised.

(j) **General**

The MD Performance Rights:

- (i) are not transferable (and consequently will not be quoted on ASX or any other exchange);
- (ii) do not confer any right to vote, except as otherwise required by law;
- (iii) do not confer any entitlement to a dividend, whether fixed or at the discretion of the Directors;
- (iv) do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; and
- (v) do not confer any right to participate in the surplus profit or assets of the Company upon a winding up,

unless and until any applicable performance milestones are achieved and the MD Performance Rights are converted into Shares.

SCHEDULE 2 – SUMMARY OF INCENTIVE AWARDS PLAN

(a) **Nature of Plan**

An incentive awards plan providing for the issue of Shares, Options and Performance Rights (**Awards**) as incentives to Eligible Participants.

(b) **Eligible Participants**

Eligible Participants are current or proposed:

- (a) Directors (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a “**Group Company**”); or
- (b) full, part time or casual employees or contractors of any Group Company; who are declared by the Board to be eligible to receive grants of Awards under the Incentive Awards Plan.

(c) **Invitation and Application Form**

The Board may, in its absolute discretion, make a written invitation to any Eligible Participant to apply for Awards upon the terms set out in the Incentive Awards Plan and upon such additional terms and conditions as the Board determines. On receipt of an Invitation, an Eligible Participant (or their permitted nominee) may apply for the Awards the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in its discretion.

(d) **Invitation Limits**

Where an Invitation for Awards that require cash consideration to be paid either on issue or exercise (eg an Option with an exercise price) is proposed to be made and the Company wishes to rely on the employee share scheme (**ESS**) provisions in Division 1A of Part 7.12 of the Corporations Act (**ESS Provisions**), the Company must reasonably believe, when making such an Invitation, that the Invitation will not result in the Company breaching the cap imposed by the ESS Provisions.

In general terms:

- (a) in determining if an Invitation will exceed the cap, the Company must count the Shares that may be issued under the Invitation together with Shares that have been issued, or that may be issued, under invitations that were both received in Australia and made in connection with the Plan or any other employee share scheme over the 3 years prior to the Invitation; and
- (b) the cap is 5% of Shares on issue at the time of the Invitation or such other percentage as specified in the Company's constitution (which does not currently specify a cap).

(e) **Conditions to acquisition of Awards**

The issue of Awards is conditional on any necessary shareholder, contractual and regulatory approval being obtained.

(f) **Terms of Convertible Securities**

- (i) Each Option or Performance Right (each a **Convertible Security**) will entitle its holder to subscribe for and be issued or transferred, one Share (upon vesting and exercise of that Convertible Security) unless the Plan or an applicable Invitation otherwise provides.
- (ii) There are no participating rights or entitlements inherent in Convertible Securities and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company without exercising the Convertible Securities.
- (iii) There is no right to a change in the exercise price of an Option, except to the extent an Invitation otherwise provides where permitted by the ASX Listing Rules.
- (iv) There is no right to a change in the number of underlying Shares over which a Convertible Security can be exercised, except to the extent an Invitation otherwise provides where permitted by the ASX Listing Rules.
- (v) A Convertible Security does not entitle a participant to vote except as otherwise required by law.
- (vi) A Convertible Security does not confer any right to a return of capital, whether in a winding up, or upon a return of capital or otherwise, or a right to participate in surplus profit or assets of the Company upon a winding up.
- (vii) A Convertible Security does not confer an entitlement to participate in or receive any dividend (whether fixed or at the discretion of the Board) until the Convertible Security has vested and been exercised and Shares have been allocated as a result of the exercise of the Convertible Security.

(g) **Vesting and exercise of Convertible Securities**

Convertible Securities will not vest and be exercisable unless the vesting conditions (if any) attaching to that Convertible Security (**Vesting Conditions**) have been satisfied and the Board has notified the Eligible Participant of that fact. The Board may, in its absolute discretion, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Convertible Securities.

There is no automatic vesting on a change of control but it can be provided for in specific Invitations for specific Convertible Securities.

A vested Convertible Security may, subject to the terms of the Plan and any Invitation, be exercised by the holder at any time before it lapses.

(h) **Cashless Exercise Facility**

The Board may, in its discretion, where the 7 day VWAP price of Shares (**Market Value**) is higher than the exercise price of vested Options, permit a Participant not pay the exercise price for exercised Options and instead be issued that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share) (**Cashless Exercise Facility**).

(i) **Lapsing of Convertible Securities**

A Convertible Security will lapse upon the earlier of:

- (i) the Board, in its discretion, resolving a Convertible Security lapses as a result of an unauthorised disposal of, or hedging of, the Convertible Security;
- (ii) a Vesting Condition not being satisfied or becoming incapable of satisfaction (and not being waived or allowed to continue unvested by the Board in its discretion);
- (iii) in respect of an unvested Convertible Security, the holder ceases to be an Eligible Participant and the Board does not exercise its discretion to vest the Convertible Security or allow it to remain unvested;
- (iv) in respect of a vested Convertible Security, a holder ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Convertible Security must be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant, and the Convertible Security is not exercised within that period and the Board resolves, at its discretion, that the Convertible Security lapses as a result;
- (v) upon payment of a Cash Payment in respect of the vested Convertible Security;
- (vi) the Board deems that a Convertible Security lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under the rules of the Incentive Plan;
- (vii) in respect of an unvested Convertible Security, a winding up resolution or order is made, and the Convertible Security does not vest in accordance with rules of the Incentive Plan;
- (viii) the Participant and the Company agreeing that the Convertible Security is voluntarily forfeited or cancelled; and
- (ix) the Expiry Date of the Convertible Security.

(j) **Disposal Restriction on Convertible Securities**

Except as otherwise provided for by the Incentive Awards Plan, an Invitation, the ASX Listing Rules or required by law, a Convertible Security may only be disposed:

- (i) with the consent of the Board (which may be withheld in its discretion) in Special Circumstances, being:
 - (A) ceasing to be an Eligible Participant due to death or total or permanent disability, or retirement or redundancy;
 - (B) severe financial hardship; or
 - (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant Invitation; or
- (ii) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.

(k) **Disposal Restrictions on Shares**

- (i) Shares can be made subject to a Restriction Condition and/or a Restriction Period, either of which prohibit disposal until satisfied or waived at the Board's discretion (unless an Invitation otherwise provides).
- (ii) Shares are deemed to be subject to a Restriction Period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.
- (iii) If a Restriction Condition is not met (and is not waived), the Company may, amongst other remedies, buyback and cancel the Shares for nil consideration, sell the Shares for at least 80% of Market Value and retain the sale proceeds, or declare the Shares to be forfeited and, where held by a trustee, for the Shares to return to the unallocated pool or to be allocated to a different Participant.
- (iv) A Share that is subject to a Restriction Period is not at risk of buyback/forfeiture, it is just unable to be disposed of during the Restriction Period.
- (v) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (vi) The Participant agrees to execute a restriction agreement in relation to the Restricted Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan or any escrow imposed by the ASX Listing Rules.

(l) **Other Key Terms**

- (i) All Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (ii) In the event of a reorganisation of the capital of the Company, all rights of the holder of an Award will be amended to the extent necessary to comply with the Corporations Act and the ASX Listing Rules applying to reorganisations at the time of the reorganisation.
- (iii) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Awards except to the extent an Invitation provides otherwise.
- (iv) No issue or allocation of Awards and/or Shares will be made to the extent that it would contravene the Constitution, Listing Rules, the Corporations Act or any other applicable law.



Resource Development Group Limited | ABN 33 149 028 142

Proxy Voting Form

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

Your proxy voting instruction must be received by **10.00am (AWST) on Wednesday, 27 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



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