



# Cosmo Metals Limited

ACN 653 132 828

## Notice of Annual General Meeting and Explanatory Memorandum

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Date of Meeting: Tuesday, 19 November 2024

Time of Meeting: 9.00am AWST

Place of Meeting: Level 2, 22 Mount Street, Perth WA 6000

This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the proxy form **enclosed** and return it in accordance with the instructions set out on that form.

In compliance with ASX guidelines, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Annual General Meeting. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this Notice of Meeting in accordance with the instructions set out on that form by no later than 9.00am AWST on 17 November 2024.

# Notice of Annual General Meeting

Notice is given that an Annual General Meeting of shareholders of Cosmo Metals Limited ACN 653 132 828 (**Company**) will be held at **Level 2, 22 Mount Street, Perth WA 6000 on 19 November 2024 at 9.00am AWST.**

## Agenda

### Ordinary business

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#### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial period 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

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To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding advisory 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 period ended 30 June 2024."*

**Note:** the vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

#### 2. Resolution 2: Re-election of Director – Mr Peter Bird

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

*"That, for the purposes of Listing Rule 14.4, clause 7.3 of the Constitution, and for all other purposes, Mr Peter Bird, a Director who retires in accordance with clause 7.3 of the Constitution, and being eligible, offers himself for re-election, be elected as a Director of the Company."*

#### 3. Resolution 3: Election of Director – Mr Ranko Matic

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

*"That, Mr Ranko Matic, who ceases to hold office in accordance with clause 7.1(e) of the Constitution, and being eligible, offers himself for election, be elected as a Director of the Company."*

#### 4. Resolution 4: Election of Director – Mr Ian Prentice

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

*"That, Mr Ian Prentice, who ceases to hold office in accordance with clause 7.1(e) of the Constitution, and being eligible, offers himself for election, be elected as a Director of the Company."*

#### 5. Resolution 5: Ratification of prior issue of Wilson Consideration Shares to acquire tenements under Listing Rule 7.1

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company to Jake Walter Wilson (or his respective nominees) of*

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*1,762,050 Shares as part consideration for the acquisition by the Company of three tenements on the terms and conditions set out in the Explanatory Statement.”*

## **6. Resolution 6: Ratification of prior issue of Service Provider Shares to Challenge Drilling under Listing Rule 7.1**

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

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue of 1,296,981 Service Provider Shares to Challenge Drilling (or its nominees) on the terms and conditions set out in the Explanatory Statement.”*

## **7. Resolution 7: Ratification of prior issue of Yandal Consideration Shares to acquire tenements under Listing Rule 7.1**

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company to Yandal Resources Limited (or its respective nominees) of 1,539,396 Shares as consideration for the acquisition by the Company of two tenements on the terms and conditions set out in the Explanatory Statement.”*

## **8. Resolution 8: Re-approval of the Employee Incentive Plan**

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

*“That for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, Shareholders approve:*

- a) the renewal of the Company’s Employee Incentive Plan; and*
- b) the issue of securities under the Employee Incentive Plan,*

*in accordance with the terms of the Employee Incentive Plan as laid before the meeting on the terms and conditions set out in the Explanatory Statement.”*

## **Special Resolutions**

**Note:** To be passed, a special resolution must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

## **9. Resolution 9: Approval of 10% Placement Capacity**

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

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## **10. Resolution 10: Renewal of Proportional Takeover Provisions**

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

*“That the proportional takeover provisions contained in Schedule 1 of the Company’s Constitution are renewed for a period of three years commencing from the date of this Meeting.”*

## **11. General business**

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

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## Voting Exclusion Statements

### Corporations Act voting prohibitions

Resolution	Voting prohibition	Exceptions
Resolution 1	<p>Pursuant to section 250R of the Corporations Act, members of Key Management Personnel (details of whose remuneration are included in the Remuneration Report) and their Closely Related Parties may not vote on Resolution 1.</p> <p>Any votes cast in contravention of section 250R of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.</p>	<p>This prohibition does not prevent the casting of a vote on Resolution 1 by a person who is otherwise prohibited from voting, as a proxy where the appointment specifies how the proxy is to vote.</p> <p>The Chair may vote as proxy in accordance with an express authorisation on the Proxy Form.</p>
Resolution 8	<p>Pursuant to section 250BD of the Corporations Act, members of Key Management Personnel (details of whose remuneration are included in the Remuneration Report) and their Closely Related Parties may not vote on Resolution 8.</p> <p>Any votes cast in contravention of section 250BD of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.</p>	<p>This prohibition does not prevent the casting of a vote on Resolution 8 by a person who is otherwise prohibited from voting, as a proxy where the appointment specifies how the proxy is to vote.</p> <p>The Chair may vote as proxy in accordance with an express authorisation on the Proxy Form.</p>

### ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons:

Resolution	Excluded Parties
Resolution 5	For the purposes of Listing Rule 7.5.8, the Company will disregard votes cast in favour of Resolution 5 by Jake Walter Wilson or his nominee(s) as recipient of the Wilson Consideration Shares.
Resolution 6	For the purposes of Listing Rule 7.5.8, the Company will disregard votes cast in favour of Resolution 6 by Challenge Drilling or its nominee(s) as recipient of the Service Provider Shares.
Resolution 7	For the purposes of Listing Rule 7.5.8, the Company will disregard votes cast in favour of Resolution 7 by Yandal Resources Limited or its nominee(s) as recipient of the Yandal Consideration Shares and any person who will obtain a material benefit as a result of the issue of Yandal Consideration Shares.
Resolution 8	For the purposes of Listing Rule 7.2 (Exception 13(b)), the Company will disregard votes cast in favour of Resolution 8 by any person who is eligible to participate in the Company's Equity Incentive Plan.

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Resolution 9	At the date of this Notice, the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A.2. Accordingly, a voting exclusion statement for the purposes of Listing Rules 7.3A.7 and 14.11 does not apply to the Resolution.
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However, the above restrictions do not apply to a vote cast in favour of the above Resolutions by:

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

### Notes

Terms used in this Notice of Meeting are defined in the “Interpretation” section of the accompanying Explanatory Memorandum.

A detailed summary of the Resolution(s) is contained within the Explanatory Memorandum.

The resolution(s) at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

### By order of the board

**Melanie Ross**  
**Company Secretary**  
18 October 2024

# Notice of Annual General Meeting

## Proxy appointment, voting and Meeting instructions

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### Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the Shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under section 250D of the *Corporations Act 2001* (Cth). The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at, posted to, scanned and emailed or sent by facsimile transmission to the Company's share registry not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice.

### Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 9.00am AWST on 17 November 2024.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### Signing instructions

You must sign the proxy form as follows in the spaces provided:

<b>Individual:</b>	Where the holding is in one name, the holder must sign.
<b>Joint Holding:</b>	Where the holding is in more than one name, either holder may sign.
<b>Power of Attorney:</b>	To sign under Power of Attorney, please attach a certified photocopy of the Power of Attorney to this form when you return it.
<b>Companies:</b>	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 <i>Corporations Act 2001</i> ) does not have a Company Secretary, a Sole Director can sign alone.  Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.  Please indicate the office held by signing in the appropriate place.

# Explanatory Memorandum

## 1. Introduction

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This Explanatory Memorandum is provided to Shareholders Cosmo Metals Limited ACN 653 132 828 (the **Company**) to explain the resolutions to be put to Shareholders at the Annual General Meeting to be held at Level 2, 22 Mount Street, Perth WA 6000 on 19 November 2024 commencing at 9.00am AWST.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Terms used in this Explanatory Memorandum are defined in section 14.

## 2. Financial Statements and Reports

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In accordance with the Constitution, the business of the Annual General 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.

There is no requirement for Shareholders to approve these reports. However, time will be allowed during the annual general meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

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 [cosmometals.com.au](http://cosmometals.com.au).

The Company's Annual Report is placed before the Shareholders for discussion.

No voting is required for this item.

## 3. Resolution 1: Adoption of Remuneration Report

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### 3.1 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.

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.

The vote on Resolution 1 is advisory only and does not bind the Board or the Company. Notwithstanding, the Board will take the outcome of the vote into consideration when considering the remuneration policy of the Company going forward. On that basis, the Company encourages all Shareholders to cast their votes on Resolution 1

### 3.2 Corporations Act Requirements

Section 250R(2) of Corporations Act requires a listed public company put a resolution to its shareholders that the remuneration report set out in the directors' report for the preceding financial

# Explanatory Memorandum

year be adopted. The Resolution is advisory only and does not bind the relevant company or its directors.

If 25% or more of votes that are cast on the Resolution are voted against the adoption of the remuneration report at two consecutive annual general meetings of a company, its shareholders will be required to vote at the second of those annual general meetings on a resolution (a **Spill Resolution**) that a further meeting be held within 90 days at which all of the offices of director are vacated (other than the office of managing director) and each such office will be put to a vote.

As the Company's 2023 remuneration report was approved by over 75% of Shareholders at the Company's 2023 annual general meeting, a Spill Resolution is not relevant for this Annual General Meeting

A voting exclusion applies to Resolution on the terms set out in the Notice.

### 3.3 Board recommendation

The Directors decline to make a recommendation as to how Shareholders should vote in respect of Resolution 1 as they each have an interest in the outcome of the Resolution.

## 4. Resolution 2: Re-election of Director – Mr Peter Bird

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### 4.1 Background

Resolution 2 seeks approval for the re-election of Peter Bird as a Director. Mr Bird, who was appointed as Non-Executive Director on 10 November 2021, retires in accordance with Listing Rule 14.4 and clause 7.3 of the Constitution, and being eligible, offers himself for re-election as a Director.

### 4.2 Listing Rule and Constitutional Requirements

Listing Rule 14.4 requires 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 longer; and
- appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

The rule does not apply to the entity's managing director, unless there is more than one managing director, in which case only one is entitled not to be subject to re-election.

Listing Rule 14.5 requires an entity which has directors to hold an election of directors at each annual general meeting.

The above Listing Rules are mirrored in clauses 7.1(e) and 7.3 of the Constitution.

### 4.3 Resolution

If Resolution 2 is passed, Mr Bird will be re-elected as a Director of the Company.

If Resolution 2 is not passed, Mr Bird will not be re-elected and he will retire as a Director. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next AGM.

### 4.4 Biography – Peter Bird, Non-Executive Chairman

Mr Bird is an experienced, well known and highly respected mining industry executive. His extensive experience covers senior technical, management, investor relations and human resources positions with major mining companies such as Western Mining Corporation, Newmont and Normandy Mining. In addition, Mr Bird has extensive expertise in equity markets including five years at Merrill Lynch Equities.

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Mr Bird has also served in Board and executive roles both as a Managing Director and in the capacity of Non-Executive Chairman with several ASX listed resource companies, and as CEO and Deputy Chair of a UK listed copper company. Mr Bird recently oversaw significant value generation of ASX listed junior explorer Zenith Minerals (ASX: ZNC) in the role of Executive Chairman.

Mr Bird holds a BSc(Hons) in Geology from La Trobe University (1986). He is a member of the AICD.

Mr Bird is currently an Executive General Manager of Rex Minerals Limited (ASX: RXM).

## 4.5 Board recommendation

The Board (other than Mr Bird, who declines to make a recommendation) supports the re-election of Mr Bird as a Director of the Company and recommends that Shareholders vote in favour of Resolution 2.

## 5. Resolution 3: Election of Director – Mr Ranko Matic

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### 5.1 Background

Resolution 3 seeks approval for the election of Ranko Matic as a Director. Mr Matic, who was appointed as Non-Executive Director on 12 August 2024, retires in accordance with Listing Rule 14.4 and clause 7.3 of the Constitution, and being eligible, offers himself for election as a Director.

The applicable Listing Rule and Constitutional requirements are outlined in section 4.2 above.

### 5.2 Resolution

If Resolution 3 is passed, Mr Matic will be elected as a Director of the Company.

If Resolution 3 is not passed, Mr Matic will not be elected and he will retire as a Director. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next AGM.

### 5.3 Biography – Ranko Matic, Non-Executive Director

Mr Matic is a Chartered Accountant with over 30 years' experience in the areas of financial and executive management, accounting, audit, business and corporate advisory. Mr Matic is a director of a chartered accounting firm and a corporate advisory company based in Perth and has specialist expertise and exposure in areas of audit, corporate services, due diligence, mergers and acquisitions, and valuations. Through these positions, Mr Matic has also been involved in an advisory capacity to a significant number of initial public offerings and other re-capitalisations and re-listings of ASX companies in the last 25 years.

### 5.4 Board recommendation

The Board (other than Mr Matic, who declines to make a recommendation) supports the election of Mr Matic as a Director of the Company and recommends that Shareholders vote in favour of Resolution 3.

## 6. Resolution 4: Election of Director – Mr Ian Prentice

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### 6.1 Background

Resolution 4 seeks approval for the election of Ian Prentice as a Director. Mr Prentice, who was appointed as Non-Executive Director on 26 August 2024, retires in accordance with Listing Rule 14.4 and clause 7.3 of the Constitution, and being eligible, offers himself for election as a Director.

The applicable Listing Rule and Constitutional requirements are outlined in section 4.2 above.

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## 6.2 Resolution

If Resolution 4 is passed, Mr Prentice will be elected as a Director of the Company.

If Resolution 4 is not passed, Mr Prentice will not be elected and he will retire as a Director. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next AGM.

## 6.3 Biography – Ian Prentice, Non-Executive Director

Mr Prentice has over 30 years resources industry experience, both in Australia and overseas, holding technical and executive roles with a number of companies throughout his career. Mr Prentice's broad ranging career extends from exploration and operational roles across a variety of commodities, focused on gold, base metals and vanadium, in Australia, New Zealand, South East Asia and Africa. Mr Prentice has served as a director for a number of Australian Securities Exchange (ASX) listed resource companies, with activities ranging from exploration and project acquisition, project development and production. He has broad experience in identifying and reviewing resource project acquisition opportunities.

Mr Prentice's most recent role was as Managing Director of ASX listed vanadium development company Technology Metals Australia Limited, taking the company from project acquisition, IPO, through the full range of predevelopment activities; resource estimation, pre-feasibility study, definitive feasibility study, culminating in a merger with Australian Vanadium Limited to create one of the most advanced vertically integrated vanadium development companies in the world.

Mr Prentice is a Member of the Australasian Institute of Mining and Metallurgy and holds a Bachelor of Science (Geology) from the University of Western Australia

## 6.4 Board recommendation

The Board (other than Mr Prentice, who declines to make a recommendation) supports the election of Mr Prentice as a Director of the Company and recommends that Shareholders vote in favour of Resolution 4.

## 7. Resolution 5: Ratification of prior issue of Wilson Consideration Shares to acquire tenements under Listing Rule 7.1

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### 7.1 Background

On 4 June 2024, the Company announced it had agreed to acquire three additional Prospecting Licenses contiguous with the Company's Kanowna Gold Project (**KGP**) taking the Company's landholding at KGP to more than 26km<sup>2</sup>. The material terms of the acquisition were:

- \$50,000 cash on execution;
- \$75,000 in Shares (priced at VWAP over the 20 trading days prior to the execution date); and
- 1% net smelter royalty.

The Company subsequently issued 1,762,050 Shares (**Wilson Consideration Shares**) to Jake Walter Wilson, or his nominees, (**Wilson**) on 12 June 2024, using its 15% placement capacity under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 5 is an ordinary resolution seeking ratification and approval by Shareholders of the prior issue of the Wilson Consideration Shares to Wilson under its Listing Rule 7.1 placement capacity.

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## 7.2 Regulatory requirements

### Listing Rule 7.1

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

### Listing Rule 7.1A

Listing Rule 7.1A provides that, in addition to the 15% placement capacity permitted without prior shareholder approval under Listing Rule 7.1 described above, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue, during the period 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 Listing Rule 7.1.

The Company obtained approval from its Shareholders to refresh its Listing Rule 7.1A capacity at its last annual general meeting held on 30 November 2023.

### Listing Rule 7.2

The issue of the Wilson Consideration Shares did not fit within any of the exceptions to Listing Rules 7.1 or 7.1A set out in Listing Rule 7.2 and, as it has not yet been approved by the Company's shareholders, it uses up part of the Company's placement capacities, effectively reducing the Company's capacity to issue further Equity Securities without shareholder approval.

### Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities that have reduced the listed company's placement capacities under Listing Rule 7.1 (15% limit) and Listing Rule 7.1A (10% limit). If Shareholders approve an issue under Listing Rule 7.4, the issue is taken to have been approved under Listing Rule 7.1 or Listing Rule 7.1A and does not reduce the Company's placement capacities under those rules.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 5 seeks shareholder approval to the issue of the Wilson Consideration Shares under and for the purposes of Listing Rule 7.4.

## 7.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Wilson Consideration Shares will be excluded in calculating the 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

If Resolution 5 is not passed, the Wilson Consideration Shares will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

## 7.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 5:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Wilson Consideration Shares were issued to Wilson, being Jake Walter Wilson (or his nominees) who is not a Related Party of the Company.

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(b) **The number and class of securities**

The Company issued a total of 1,762,050 Wilson Consideration Shares using its issuing capacity under Listing Rule 7.1.

All Wilson Consideration Shares are fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

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

The Wilson Consideration Shares were issued on 12 June 2024.

(d) **The price or consideration the entity has received or will receive for the issue**

The Wilson Consideration Shares were issued for nil consideration, as partial consideration for the acquisition of three tenements. The deemed issue price for the 1,762,050 Wilson Consideration Shares was \$75,000.

(e) **The purpose of the issue, including use or intended use of the funds raised**

No funds were raised from the issue of the Wilson Consideration Shares as they were issued as partial consideration for the acquisition of three tenements.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Wilson Consideration Shares were issued under a Tenement Purchase Agreement (**Wilson Agreement**) between a subsidiary of the Company (La Zarza Minerals Pty Ltd) as buyer and Wilson as seller. Under the Wilson Agreement, the Company acquires 100% interest in the Prospecting Licenses (the **Wilson Tenements**) from Wilson, as broadly summarised in section 7.1 above.

Under the Wilson Agreement:

- subject to certain conditions, Wilson was granted an exclusive right to exploit the alluvial Gold rights of the buyer, and conduct prospecting, including searching for, sampling and removing alluvial materials for the recovery of Gold (including by mechanised means) to a depth of 6 metres from the natural surface of the ground; and
- 1% net smelter royalty payable by the buyer to the seller within 30 days of end of each quarter in which the buyer receives revenue from the sale or other disposal of mineral or metallic product derived from minerals extracted and recovered from the Wilson tenements and which is capable of being sold and disposed of.

The Wilson Agreement was otherwise on terms and conditions that are standard to agreements of its kind.

(g) **A voting exclusion statement**

A voting exclusion statement for Resolution 5 is included at page 4 of this Notice.

## 7.5 Board recommendation

The Board recommend that Shareholders vote in favour of Resolution 5.

# Explanatory Memorandum

## 8. Resolution 6: Ratification of prior issue of Service Provider Shares to Challenge Drilling under Listing Rule 7.1

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### 8.1 Background

In February 2024, the Company entered into an agreement with Challenge Drilling (**Service Provider**) for the payment of drilling services to be converted up to fifty percent (50%), at the discretion of the Company, to Shares (**Equity Agreement**). The total consideration payable for the provision of drilling services to the Service Provider was \$120,359.80 (inclusive of GST), whereby \$60,179.90 (inclusive of GST) was payable in cash and \$60,179.90 (inclusive of GST) was payable in Shares, calculated on the twenty day volume weighted average price of Shares on 25 June 2024. Accordingly, the Company agreed to issue 1,296,981 Shares (**Service Provider Shares**) to the Service Provider.

On 5 August 2024, the Company issued the Service Provider Shares to the Service Provider (or its nominees), using its 15% placement capacity under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 6 is an ordinary resolution seeking ratification and approval by Shareholders of the prior issue of the Service Provider Shares to the Service Provider under its Listing Rule 7.1 placement capacity.

### 8.2 Regulatory requirements

The applicable Listing Rules are outlined in section 7.2 above.

The issue of the Service Provider Shares did not fit within any of the exceptions to Listing Rules 7.1 or 7.1A set out in Listing Rule 7.2 and, as it has not yet been approved by the Company's shareholders, it uses up part of the Company's placement capacities, effectively reducing the Company's capacity to issue further Equity Securities without shareholder approval.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 6 seeks shareholder approval to the issue of the Service Provider Shares under and for the purposes of Listing Rule 7.4.

### 8.3 Technical Information required by Listing Rule 14.1A

If Resolution 6 is passed, the Service Provider Shares will be excluded in calculating the 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

If Resolution 6 is not passed, the Service Provider Shares will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

### 8.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 6:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Service Provider Shares were issued to Challenge Drilling (or its nominees) who is not a Related Party of the Company.

(b) **The number and class of securities**

The Company issued a total of 1,296,981 Service Provider Shares using its issuing capacity under Listing Rule 7.1.

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All Service Provider Shares are fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

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

The Service Provider Shares were issued on 5 August 2024.

(d) **The price or consideration the entity has received or will receive for the issue**

The Service Provider Shares were issued for nil consideration, as partial consideration for the provision of drilling services. The deemed issue price for the 1,296,981 Service Provider Shares was \$60,179.90.

(e) **The purpose of the issue, including use or intended use of the funds raised**

No funds were raised from the issue of the Service Provider Shares as they were issued as partial consideration for the provision of drilling services.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Service Provider Shares were issued to satisfy payment for drilling services provided to the Company under a tender as described in section 8.1 above. There were no other material terms of the tender relevant to the issue of the Service Provider Shares.

(g) **A voting exclusion statement**

A voting exclusion statement for Resolution 6 is included at page 4 of this Notice.

## 8.5 Board recommendation

The Board recommend that Shareholders vote in favour of Resolution 6.

## 9. Resolution 7: Ratification of prior issue of Yandal Consideration Shares to acquire tenements under Listing Rule 7.1

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### 9.1 Background

On 19 August 2024, the Company announced it had agreed to acquire two additional Prospecting Licenses contiguous with the Company's Kanowna Gold Project (**KGP**), for a consideration of \$50,000 payable in Shares, calculated on the five day volume weighted average price of Shares prior to the date of the Tenement Purchase Agreement (**Yandal Agreement**).

The Company subsequently issued 1,539,396 Shares (**Yandal Consideration Shares**) to Yandal Resources Limited (ASX Code: YRL), or his nominees, (**Yandal**) on 27 August 2024, using its 15% placement capacity under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 7 is an ordinary resolution seeking ratification and approval by Shareholders of the prior issue of the Yandal Consideration Shares to Yandal under its Listing Rule 7.1 placement capacity.

### 9.2 Regulatory requirements

The applicable Listing Rules are outlined in section 7.2 above.

The issue of the Yandal Consideration Shares did not fit within any of the exceptions to Listing Rules 7.1 or 7.1A set out in Listing Rule 7.2 and, as it has not yet been approved by the Company's shareholders, it uses up part of the Company's placement capacities, effectively reducing the Company's capacity to issue further Equity Securities without shareholder approval.

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The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 7 seeks shareholder approval to the issue of the Yandal Consideration Shares under and for the purposes of Listing Rule 7.4.

## 9.3 Technical Information required by Listing Rule 14.1A

If Resolution 7 is passed, the Yandal Consideration Shares will be excluded in calculating the 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

If Resolution 7 is not passed, the Yandal Consideration Shares will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

## 9.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 7:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Yandal Consideration Shares were issued to Yandal, being Yandal Resources Limited (or its nominees) who is not a Related Party of the Company.

(b) **The number and class of securities**

The Company issued a total of 1,539,396 Yandal Consideration Shares using its issuing capacity under Listing Rule 7.1.

All Yandal Consideration Shares are fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

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

The Yandal Consideration Shares were issued on 27 August 2024.

(d) **The price or consideration the entity has received or will receive for the issue**

The Yandal Consideration Shares were issued for nil consideration, as partial consideration for the acquisition of two tenements. The deemed issue price for the 1,539,396 Yandal Consideration Shares was \$50,000.

(e) **The purpose of the issue, including use or intended use of the funds raised**

No funds were raised from the issue of the Yandal Consideration Shares as they were issued as partial consideration for the acquisition of two tenements.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Yandal Consideration Shares were issued under a Tenement Purchase Agreement (**Yandal Agreement**) between a subsidiary of the Company (La Zarza Minerals Pty Ltd) as buyer and Yandal as seller. Under the Yandal Agreement, the Company acquired 100% interest in the Prospecting Licenses (the **Yandal Tenements**) from Yandal, as broadly summarised in section 9.1 above.

The Yandal Agreement was otherwise on terms and conditions that are standard to agreements of its kind.

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(g) **A voting exclusion statement**

A voting exclusion statement for Resolution 5 is included at page 4 of this Notice.

## 9.5 Board recommendation

The Board recommend that Shareholders vote in favour of Resolution 7.

## 10. Resolution 8: Re-approval of the Employee Incentive Plan

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### 10.1 Background

At the time the Company listed on ASX, it established an Employee Incentive Plan (**EIP**) for eligible Directors, officers, employees and contractors. The EIP is governed by the Incentive Plan Rules (**Rules**) and is designed to align EIP participants' interests with the interests of the Company's shareholders by providing participants with share-based incentives (e.g. Shares, Options or performance rights) subject to conditions which must be satisfied before the participants may receive the full benefit of the incentives (**Awards**). All Awards are issued/granted in accordance with the Rules and otherwise on terms and conditions set by the Board at its discretion.

In connection with its listing on the ASX, the Company obtained approval through Listing Rule 7.2 (Exception 13(a)) to issue up to 5,100,000 Equity Securities under the EIP in the three years following its listing, without needing to include those Equity Securities when calculating the number of Equity Securities the Company could issue under Listing Rule 7.1 without obtaining shareholder approval. Since its listing on the ASX, the Company has issued 5,500,000 Equity Securities under the EIP, of which 5,100,000 Equity Securities were issued in accordance with the approval. The other 400,000 Equity Securities were issued within the Company's capacity under Listing Rule 7.1.

Given the approval obtained at its time of ASX listing has expired, the Company is now seeking new approval for the purposes of Listing Rule 7.2 (Exception 13(b)). Specifically, shareholder approval is being sought to allow the Company to issue up to 6,549,644 Equity Securities under the EIP in the three years from the date of this Meeting, without needing to include those Equity Securities when calculating the number of Equity Securities the Company could issue under Listing Rule 7.1 without obtaining shareholder approval.

### 10.2 Regulatory requirements

#### Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without approval of its shareholders over any 12-month period to 15% of the fully-paid ordinary securities it had on issue at the start of that period. However, Equity Securities issued pursuant to an exception to Listing Rule 7.1 set out in Listing Rule 7.2 are not counted for the purposes of the limit.

#### Listing Rule 7.2

Exception 13 of Listing Rule 7.2 provides that shareholders may approve the issue of Equity Securities under an employee incentive scheme as an exception to Listing Rule 7.1. If such approval is obtained, Listing Rule 7.1 does not apply to an issue of Equity Securities in the listed company made under an employee incentive scheme within three years of the date of the approval.

Relevantly, Exception 13 of Listing Rule 7.2 is only available to the Company if:

- (a) shareholders have approved the issue of Equity Securities under the employee incentive scheme within 3 years of the date of any issue under that scheme; and

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- (b) the number of Equity Securities issued under an employee incentive scheme does not exceed the maximum number set out in an entity's notice of meeting.

The EIP was adopted by the Company on 22 November 2021, being the date of the Company's prospectus for its admission to ASX, and has not previously been approved by Shareholders pursuant to Listing Rule 7.2 Exception 13.

## 10.3 Technical Information required by Listing Rule 14.1A

If Resolution 8 is passed, the issue of Equity Securities under the EIP to eligible participants within three years of the date of this Meeting will be excluded in calculating the 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

If Resolution 8 is not passed, the Company may still issue Equity Securities under the EIP to eligible participants, however, any such issue will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date, until such time as the Company obtains Shareholder approval under Exception 13 of Listing Rule 7.2 for the EIP in the future.

In that scenario, the Board may need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing an equivalent cash long-term incentive, subject to the risk of forfeiture, performance conditions and performance period.

## 10.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.2 (Exception 13 (b)), the following information is provided in relation to Resolution 8:

- (a) A summary of the Employee Incentive Plan is set out in Schedule 1 to this Explanatory Statement.
- (b) The Company has issued the following Equity Securities under the EIP since 22 November 2021, being the date of the Company's prospectus for its admission to ASX:
  - (i) 5,000,000 Options exercisable at \$0.25 each on or before 12 November 2024 granted to Directors before the Company's admission to ASX (the details of which were contained in the Prospectus); and
  - (ii) 100,000 Employee Options exercisable at \$0.25 each on or before 15 September 2025 granted to an employee on 15 September 2022 (forfeited 4 August 2023).
- (c) The maximum number of Securities proposed to be issued under the EIP, following Shareholder approval, will be 6,549,644 Securities (being 5% of the number of the Company's fully paid ordinary shares on issue as at the date of this Notice (130,992,874 Shares)). The maximum number is not intended to be a prediction of the actual number of securities to be issued under the EIP, simply a ceiling for the purposes of Listing Rule 7.2 Exception 13(b). It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.
- (d) A voting exclusion statement for Resolution 8 is included at page 4 of this Notice.

## 10.5 Board recommendation

Noting that the Directors may have a personal interest in the outcome of Resolution 8 by virtue of them being eligible to participate in the EIP, the Directors recommend that Shareholders vote in favour of Resolution 5. This will give the Board the flexibility to issue securities to eligible participants under the EIP without using the Company's issuing capacity under Listing Rule 7.1.

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## 11. Resolution 9: Approval of 10% Placement Capacity

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### 11.1 Background and regulatory requirements

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**10% Placement Capacity**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 9 seeks Shareholder approval by way of special resolution for the Company to have the 10% Placement Capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval. As Resolution 9 is a special resolution, it must be passed by at least 75% of the votes cast by Shareholders present and entitled to vote on the Resolution.

### 11.2 Technical information required by Listing Rule 14.1A

If Resolution 9 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 9 is not passed, the Company will not be able to access the 10% Placement Capacity to issue Equity Securities without Shareholder approval under 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.

### 11.3 Information on 10% Placement Capacity

#### (a) Quoted securities

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company currently has one class of Equity Securities quoted on the ASX, being fully-paid ordinary shares (ASX Code: CMO).

#### (b) Formula for 10% Placement Capacity

If Resolution 9 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$$\text{Additional Placement Capacity} = (A \times D) - E$$

**A** = the number of fully-paid ordinary securities on issue at the commencement of the Relevant Period:

- plus the number of fully-paid ordinary securities issued in the Relevant Period under an exception in ASX Listing Rule 7.2 other than exception 9, 16, or 17;
- plus the number of fully-paid ordinary securities 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

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- 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 7.4;
- plus the number of fully-paid ordinary securities issued in the Relevant Period under an agreement to issue securities within 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 7.4;
- plus the number of fully paid ordinary securities issued in the Relevant Period with approval under Listing Rule 7.1 or ASX Listing Rule 7.4;
- plus the number of partly-paid ordinary securities that became fully-paid in the Relevant Period;
- less the number of fully-paid ordinary securities cancelled in the Relevant Period;

**D** = 10%; and

**E** = 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.

## 11.4 Listing Rule requirements

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 9:

### (a) **Period for which the 10% Placement Capacity is valid**

The 10% Placement Capacity will commence on the date of the Meeting at which the Shareholder approval is obtained and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting (i.e. 19 November 2024), presuming Shareholder approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### (b) **Minimum Price at which equity securities may be issued**

Any Equity Securities issued under the 10% Placement Capacity will be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the VWAP of Equity Securities in that 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 entity 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) **Use of funds raised under 10% Placement Capacity**

The Company intends to use funds raised from issues of Equity Securities under the 10% Placement Capacity for:

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- (i) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
  - (ii) continued exploration expenditure on the Company's current assets/or projects (funds would then be used for project, feasibility studies and ongoing project administration);
  - (iii) the development of the Company's current business; and
  - (iv) general working capital.
- (d) **Risk of voting dilution**

If Resolution 9 is passed and the Company issues securities under the 10% Placement Capacity, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date Shareholder approval is obtained for Resolution 9; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date.

This may have an effect on the amount of funds raised by the issue of the equity securities.

The table below identifies the potential dilution to existing Shareholders following the issue of equity securities under the 10% Placement Capacity (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

Number of Shares on issue	Share price	New Shares issued	Funds raised	Voting dilution	Economic dilution
130,992,874 (Shares currently on issue / current variable 'A' in Listing Rule 7.1A)	\$0.028 (current market price)	13,099,287	\$366,780.05	10.00%	0.00%
	\$0.021 (25% decrease)	13,099,287	\$275,085.04	10.00%	2.27%
	\$0.014 (50% decrease)	13,099,287	\$183,390.02	10.00%	4.55%
196,489,311 (50% increase)	\$0.028 (current market price)	19,648,931	\$550,170.07	10.00%	0.00%
	\$0.021 (25% decrease)	19,648,931	\$412,627.55	10.00%	2.27%
	\$0.014 (50% decrease)	19,648,931	\$275,085.04	10.00%	4.55%
261,985,748 (100% increase)	\$0.028 (current market price)	26,198,575	\$733,560.09	10.00%	0.00%
	\$0.021 (25% decrease)	26,198,575	\$550,170.07	10.00%	2.27%
	\$0.014 (50% decrease)	26,198,575	\$366,780.05	10.00%	4.55%

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**Note** - the table above uses the following assumptions:

1. the current market price is the closing price at which Shares were traded on 26 September 2024 (being \$0.028);
2. the current Shares on issue are the Shares at 26 September 2024 (being 130,992,874 Shares);
3. the Company issues the maximum number of equity securities available under the 10% Placement Capacity;
4. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the 10% Placement Capacity;
5. the Company issues Shares only and does not issue other types of equity securities (such as Options) under the 10% Placement Capacity;
6. the impact of placements under Listing Rule 7.1 or following the conversion of convertible securities (if any) is not included in the calculations; and
7. economic dilution (ED) is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

**MP** = the market price of shares traded on ASX, expressed in dollars;

**MC** = market capitalisation prior to issue of equity securities, being the MP multiplied by the number of shares on issue;

**NMC** = notional market capitalisation, being the market capitalisation plus the NSV;

**NSV** = new security value, being the number of new equity securities multiplied by the issue price of those equity securities; and

**TS** = total shares on issue following new Equity Security issue.

## (e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity.

The Company has not yet identified allottees to receive the equity securities under the 10% Placement Capacity. However, they may include current Shareholders, new investors, or both. None of the allottees will be Related Parties or 'associate' (as defined in the Listing Rules) of Related Parties.

Potential allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

As at the date of the Notice, the Company has not identified any proposed allottees of Equity Securities using the 10% Placement Capacity. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under Listing Rule 7.2. Existing Shareholders may or may

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not be entitled to subscribe for Equity Securities under the 10% Placement Capacity and it is possible that their shareholding will be diluted.

If the 10% Placement Capacity is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Capacity.

(f) **Previous approval under ASX Listing Rule 7.1A and details of prior issues**

The Company obtained shareholder approval for the 10% Placement Capacity under ASX Listing Rule 7.1A at its last AGM held on 30 November 2023. The Company has not, however, issued any Equity Securities under ASX Listing Rule 7.1A in the 12 months preceding the date of the Meeting.

(g) **Voting Exclusion**

A voting exclusion statement is included at page 5 of this Notice. As at the date of this Notice of Meeting, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

## 11.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 9 as it will give the Company the flexibility to issue securities without Shareholder approval to raise necessary working capital in the future.

## 12. Resolution 10: Renewal of Proportional Takeover Provisions

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### 12.1 General

Schedule 1 of the Company's Constitution contains provisions which prohibit the registration of transfers of Shares acquired under a proportional takeover bid unless a resolution is passed by the Shareholder approving the bid. As provided in Schedule 1 of the Constitution, the provisions will cease to have effect at the end of three years after they were last adopted (26 August 2021), unless renewed at this Meeting.

It is proposed that the proportional takeover provisions are renewed for a further period of three years from the date of this Meeting.

### 12.2 Regulatory requirements

In accordance with the requirements of section 648G(5) of the Corporations Act, the Company provides the information set out below:

(a) **What is a proportional takeover bid?**

A proportional takeover bid is a takeover offer sent to all Shareholders in a particular class but only in respect of a proportion of each Shareholder's Shares. If a Shareholder accepts an offer under a proportional takeover bid, the Shareholder disposes of the specified proportion of their Shares and retains the balance.

(b) **Effect of the provisions to be renewed**

The provisions require the Directors to refuse to register any transfer of Shares made in acceptance of a proportional takeover offer until Shareholder approval has been obtained at a meeting of Shareholders held in accordance with the Constitution.

The meeting must be held at least 14 days before the day the offer under the proportional takeover bid closes.

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A resolution for approval of a proportional takeover bid will be taken to have been passed if a majority of Shares voted at the meeting, excluding any Shares held by the bidder and its associates, vote in favour of the resolution. The Directors will breach the Corporations Act if they fail to ensure that an approving resolution is voted upon. However, if no resolution is voted on before the end of the 14th day before the close of the offer, the resolution will be deemed to have been passed.

Where the resolution approving the offer is passed, transfers of Shares resulting from acceptance of the offer will be registered provided they otherwise comply with the Corporations Act and other provisions of the Constitution.

If the resolution is not passed then in accordance with the Corporations Act, the offer will be deemed to be withdrawn and transfers that would have resulted from acceptance of the bid will not be registered.

The proportional takeover bid provisions do not apply to full takeover bids and only apply for three years after the date of renewal of the provisions only by special resolution.

## (c) **Reasons for renewing the provisions**

Without these provisions, a proportional takeover bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their Shares to the bidder. If the provisions are not adopted, Shareholders could be at risk of passing control to a bidder without payment of an adequate control premium for all of their Shares whilst leaving themselves as part of a minority interest in the Company.

The provisions protects Shareholders by providing that if a proportional takeover bid is made, Shareholders must vote on whether it should proceed.

The benefit of these provisions is that it enables Shareholders to decide whether the proportional offer is acceptable in principle and appropriately priced.

## (d) **Potential advantages and disadvantages for Directors and Shareholders**

The potential advantages of the proportional takeover provisions are that such provisions may:

- (i) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (ii) improve corporate management by eliminating the possible threat of a hostile takeover through longer term planning;
- (iii) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its Shareholders to advise and guide in the event of a proportional bid occurring; and
- (iv) strengthen the position of Shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the bidder and Shareholders, as the more cohesive Shareholders are in determining their response the stronger they are. A requirement for approval can force Shareholders to act in a more cohesive manner. Where Shareholders know that a bid will only be successful if a specified majority of Shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

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The potential disadvantages of the proportional takeover provisions include the following matters:

- (i) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
  - (ii) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other shareholders; and
  - (iii) a Shareholder may lack a sufficient financial interest in the Company to have an incentive to determine whether a proposal is appropriate.
- (e) **No knowledge of present acquisition proposals**

As at the date on which this Explanatory Statement is prepared, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

## 12.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 10.

## 13. General Business

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company. Specific comments relating to the Resolution(s) are set out in the Explanatory Memorandum.

## 14. Interpretation

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**10% Placement Capacity** has the meaning given in section 11.1.

**Annual General Meeting** or **Meeting** means the Annual General Meeting of the Company pursuant to this Notice of Meeting.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

**AWST** or **WST** means Australian Western Standard Time, being the time in Perth, Western Australia.

**Awards** has the meaning given in section 10.1.

**Board** means the board of directors of the Company.

**Chair** or **Chairman** means the chairperson of the Meeting.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act.

**Company** or **Cosmo** means Cosmo Metals Ltd ACN 653 132 828.

**Constitution** means the constitution of the Company from time to time.

**Corporations Act** means the *Corporations Act 2001 (Cth)* as amended, varied or replaced from time to time.

**Director** means a director of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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**Employee Incentive Plan** or **EIP** means the Company's Employee Incentive Plan.

**Equity Agreement** has the meaning given in section 8.1.

**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 Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Kanowna Gold Project** or **KGP** means prospecting licenses P 26/4680, P 26/4681, P 27/2536, P 27/2537, P 27/2538, P 27/2539, P 27/2540, P 27/2541, P 27/2542, P 27/2543, P 27/2564 and P 27/2565 located east of Kalgoorlie in the Eastern Goldfields of Western Australia.

**Key Management Personnel** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Listing Rules** means the official listing rules of the ASX as amended from time to time.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Official List** means the official list of the ASX.

**Option** means an option to acquire a Share.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

**Proxy Form** means the proxy form accompanying the Notice of Meeting.

**Related Party** has the meaning given in section 9 of the Corporations Act.

**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.

**Resolution** means a resolution proposed at the Meeting.

**Rules** means the rules of the Company's Employee Incentive Plan.

**Service Provider** has the meaning given in section 8.1.

**Service Provider Shares** has the meaning given in section 8.1.

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

**Shareholder** means a holder of Shares in the Company.

**Special Resolution** means a resolution passed by more than 75% of the votes cast at a general meeting of shareholders.

**VWAP** means the volume weighted average sale prices of Shares sold on ASX during the specified period, excluding any transaction defined in the ASX Operating Rules as 'special', crossings prior to the commencement of normal trading, crossings during the after-hours adjust phase and any overseas trades or exchange traded option exercises.

**Wilson** has the meaning given in section 7.1.

**Wilson Agreement** means a Tenement Purchase Agreement.

**Wilson Consideration Shares** has the meaning given in section 7.1.

**Wilson Tenements** means prospecting licenses P 27/2263, P 27/2440 and P 27/2264, located east of Kalgoorlie in the Eastern Goldfields of Western Australia.

# Explanatory Memorandum

**Yandal** has the meaning given in section 9.1.

**Yandal Agreement** means a Tenement Purchase Agreement.

**Yandal Consideration Shares** has the meaning given in section 9.1.

**Yandal Tenements** means prospecting licenses P 26/4577 and P 27/2461 located east of Kalgoorlie in the Eastern Goldfields of Western Australia.

Any inquiries in relation to the Notice of Meeting or Explanatory Memorandum should be directed to:

**Ms Melanie Ross**

**Company Secretary**

**Phone: 08 6188 8181**

**Email: [MRoss@consiliumcorp.com.au](mailto:MRoss@consiliumcorp.com.au)**

# Explanatory Memorandum

## SCHEDULE 1 – Employee Incentive Plan

The Company has established an Employee Incentive Plan for eligible Directors, officers, employees and contractors (Plan). The Plan is governed by the Incentive Plan Rules (Rules).

Under the Plan, the Company may provide share-based incentives (e.g. Shares, Options or performance rights) to eligible participants subject to conditions which must be satisfied before the participants may receive the full benefit of the incentives (Awards).

All Awards are issued/granted in accordance with the Rules and otherwise on terms and conditions set by the Board at its discretion.

The material terms of the Plan, as set out in the Rules, are as follows:

**(a) Purpose:** The purpose of the Plan is:

- (i) to establish a method by which eligible persons can participate in the future growth and profitability of Cosmo Metals;
- (ii) to provide an incentive and reward for eligible persons for their contribution to Cosmo Metals; and
- (iii) to attract and retain a high standard of managerial and technical personnel for the benefit of Cosmo Metals.

**(b) Participation:** The following persons can participate in the Plan if the Board makes them an offer to do so:

- (i) a full-time or part-time employee, including an Executive Director of Cosmo Metals or its related bodies corporate;
- (ii) a Non-Executive Director of Cosmo Metals or its related bodies corporate; and
- (iii) a casual employee or contractor of the Company or its related bodies corporate where the employee or contractor is, or might reasonably be expected to be, engaged to work the pro-rata equivalent of 40% or more of a comparable fulltime position.

**(c) Vesting conditions:** Awards issued/granted under the Plan are subject to vesting conditions set in the issue/grant of the Award, as determined by the Board. These are conditions which must be satisfied or waived before the Award can vest or can be exercised (if applicable). They may be time-based criteria or performance-based criteria.

**(d) Restrictions on disposal:** Awards issued/granted under the Plan and any resulting Shares, may be subject to restrictions on sale or disposal, as determined by the Board.

**(e) Limit on number of securities under the Plan:** In accordance with ASIC Class Order 14/1000, after the Company is admitted to the Official List of ASX, the total Awards that may be issued/granted under the Plan will not exceed 5% of the total number of Shares on issue. In calculating this limit, Awards issued/granted to participants under the Plan other than in reliance upon the ASIC class order are discounted.

**(f) Administration:** The Board has the discretion to administer the Plan. The Board may vary a vesting condition applicable to an Award provided that such variation is not materially adverse to the participant who holds the Awards.

**(g) Other terms:** The Rules otherwise contain terms and conditions considered standard for employee incentive plan rules of this nature.



# Proxy Voting Form

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

Cosmo Metals Limited | ABN 17 653 132 828

Your proxy voting instruction must be received by **09.00am (AWST) on Sunday, 17 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, either holder may sign.

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### 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.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

##### WEBSITE:

<https://automicgroup.com.au/>

##### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

