



HEAVY MINERALS LIMITED

ACN 647 831 883

Notice of Annual General Meeting

**Annual General Meeting to be held at
Level 8, 216 St Georges Terrace, Perth on Friday, 29 November 2024 commencing at 11:00am (AWST).**

Important

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

Shareholders are urged to attend the Meeting or vote by lodging the Proxy Form made available with the Notice.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9481 0389 or via email at info@heavyminerals.com.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of the Shareholders of Heavy Minerals Limited ACN 647 831 883 (**Company**) will be held at Level 8, 216 St Georges Terrace, Perth on Friday, 29 November 2024, commencing at 11:00am (AWST).

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

Business

Annual Report

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2024, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2024 be adopted by Shareholders, on the terms and conditions beginning at page 9 in the Explanatory Statement."

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

Resolution 2: Re-election of Director – Adam Schofield

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

"That, for the purposes of Listing Rule 14.4 and Article 7.2(a) of the Constitution and, for all other purposes, Adam Schofield retires, and being eligible, is re-elected as a Director, on the terms and conditions beginning at page 10 in the Explanatory Statement."

Resolution 3: Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, approval be given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, on the terms and conditions beginning at page 11 in the Explanatory Statement."

Resolution 4: Ratification of issue of Placement Shares

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,128,993 Shares issued to sophisticated and professional investors under Listing Rule 7.1 on the terms and conditions beginning at page 15 in the Explanatory Memorandum.”

Resolution 5: Ratification of issue of Shares to Andrew Taplin

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 777,605 Shares issued to Chief Executive Officer Andrew Taplin under Listing Rule 7.1 on the terms and conditions beginning at page 17 in the Explanatory Memorandum.”

Resolution 6: Ratification of issue of Collateral Shares under the ATM Subscription Agreement

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

‘That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,300,000 Collateral Shares under the ATM Subscription Agreement, on the terms and conditions beginning at page 18 in the Explanatory Memorandum.’

Resolution 7: Ratification of issue Royalty Funding Options

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,310,000 Royalty Funding Options issued to the royalty funding participants under Listing Rule 7.1 on the terms and conditions beginning at page 20 in the Explanatory Memorandum.”

Resolution 8: Approval of issue Director Royalty Funding Options

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

“That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 50,000 Director Royalty Funding Options to Aaron Williams (or his nominee) in connection with Mr Williams’ \$50,000 subscription under the Royalty Funding, on the terms and conditions beginning at page 21 in the Explanatory Memorandum.”

Resolution 9: Re-insertion of Proportional Takeover Bid Approval Provisions

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

'That the modification of the Constitution to re-insert the proportional takeover bid approval provisions contained in article 4.9 and schedule 5 of the Constitution for a period of three years from the date of approval of this Resolution is approved under and for the purposes of sections 648G(4) and 136(2) of the Corporations Act and for all other purposes.'

By order of the Board

Stephen Brockhurst
Company Secretary
Heavy Minerals Limited

24 October 2024

EXPLANATORY STATEMENT

Important information

This Explanatory Statement has been prepared for the information of the Shareholders of Heavy Minerals Limited ACN 647 831 883 (**Company**) in connection with the Resolutions to be considered at the Annual General Meeting to be held at Level 8, 216 St Georges Terrace, Perth on Friday, 29 November 2024, commencing at 11:00am (AWST).

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

This Notice and Explanatory Statement should be read in their entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

Interpretation

Capitalised terms which are not otherwise defined in this Notice and Explanatory Statement have the meanings given to those terms under the Definitions section. References to “\$” and “A\$” in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated. References to time in this Notice and Explanatory Statement relate to the time in Perth, Western Australia.

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

Resolution 3: if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their respective nominees.

Resolution 4: by or on behalf of a person who participated in the issue of the Placement Shares, or any of their respective associates.

Resolution 5: by or on behalf of Andrew Taplin, or any of his associates.

Resolution 6: by or on behalf of Acuity Capital Investment Management Pty Ltd (or its nominees), any person who is a counterparty to the agreement being approved, or any of their respective associates.

Resolution 7: by or on behalf of the Royalty Funding participants (or their nominees), any person who is a counterparty to the agreement being approved, or any of their respective associates.

Resolution 8: by or on behalf of Aaron Williams (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Director Royalty Funding Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

Voting prohibitions

If you purport to cast a vote other than as permitted below, that vote will be disregarded by the Company (as indicated below), and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (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.

However, a person 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:

- (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:
 - (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 8: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the Resolution if:

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

However, the above prohibition does not apply if:

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

Voting in person

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

Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

A Proxy Form is made available with this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon and in this Notice. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and

- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

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

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

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

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

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

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

Chair's voting intentions

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1 and Resolution 5 even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

Voting entitlements

In accordance with Regulations 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that the persons eligible to vote at the Meeting are those who are registered Shareholders as at 4:00pm (AWST) on Wednesday, 27 November 2024.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at info@heavyminerals.com by 5:00pm (AWST) on Wednesday 27 November 2024.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

REGULATORY INFORMATION

1. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2024.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (i) ask questions about, or make comments on, the Annual Report and the management of the Company; and
- (ii) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (i) the preparation and content of the Auditor's Report;
- (ii) the conduct of the audit;
- (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (iv) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

A representative of the Company's auditor, Criterion Audit Pty Ltd, will be in attendance at the Meeting to respond to any questions raised of the auditor or on the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

2. Resolution 1: Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Shareholders should note that Resolution 1 is an "advisory only" Resolution which does not bind the Directors or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a

resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election. The Company's Remuneration Report received a Strike at the 2022 annual general meeting which was taken into consideration by the Board, and as a result, the Board completed a comprehensive review of the executive remuneration framework to consider any changes deemed necessary by the Board to its remuneration structure. The Board is committed to achieving a better balance between improving the overall position of the Company and rewarding its Key Management Personnel accordingly.

The Company's Remuneration Report did not receive a Strike at the 2023 annual general meeting held on 30 November 2023. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2025 annual general meeting, this may result in the re-election of the Board.

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

Additional information

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding Resolution 1.

3. Resolution 2: Re-election of Director – Adam Schofield

ASX Listing Rule 14.4 and Article 7.2(a) of the Constitution both provide that a Director (excluding the Managing Director) must not hold office past the third annual general meeting following that Director's appointment or three years, whichever is longer, without submitting himself/herself for re-election.

Pursuant Article 7.3, a director who retires in accordance with Article 7.2(a) of the Constitution holds office until the conclusion of the meeting at which that director retires but is eligible for re-election and that re-election takes effect at the conclusion of the meeting.

Mr Adam Schofield was appointed as a Non-Executive Director on 10 February 2021. Accordingly, Mr Schofield retires at the Meeting, and being eligible, seeks re-election pursuant to Resolution 2.

If Resolution 2 is approved, Mr Schofield will be re-elected as a Non-Executive Director.

If Resolution 2 is not approved, Mr Schofield will not be re-elected as a Non-Executive Director.

Adam Schofield

Mr Schofield is an Executive Director with over 22 years' experience in the resources sector in Africa and Australia. He is a Mechanical Engineer with significant experience in conducting feasibility studies and taking projects from feasibility stage into operations. Mr Schofield has an extensive experience in gold, mineral sands, iron ore, REE and copper.

Mr Schofield does not currently hold any other material directorships, other than as disclosed in this Notice.

Mr Schofield has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Independence

If elected, the Board does not consider Mr Adam Schofield to be an independent director by virtue of Mr Schofield being a substantial shareholder.

Board recommendation

The Board (with Mr Adam Schofield abstaining) support the re-election of Mr Schofield on the basis of Mr Schofield's skills, qualifications and experience and his contributions to the Board's activities. The Board (with Mr Adam Schofield abstaining) recommends Shareholders vote in favour of the re-election of Mr Schofield.

Additional information

Resolution 2 is an ordinary resolution.

4. Resolution 3: Approval of 10% Placement Facility

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period (**Relevant Period**) after the Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

Resolution 3 is a **special resolution** and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

If Resolution 3 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 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

Listing Rule 7.1A

(a) Eligible entity

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

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$8.0 million, based on the closing price of Shares \$0.12 on 18 October 2024.

(b) Equity Securities that can be issued

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

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.

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

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$(A \times D) - E$

Where:

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

- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid ordinary shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid ordinary shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the Relevant Period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of any other fully paid ordinary shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (E) plus the number of partly paid shares that became fully paid Shares in the Relevant Period; and
- (F) less the number of fully paid ordinary shares cancelled in the Relevant Period.

“D” = is 10%.

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

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

(d) Interaction with Listing Rule 7.1

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

(e) Minimum Issue Price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

- (a) The approval will be valid for the period commencing on the date of the Meeting and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2,

(10% Placement Period).

- (b) Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price.
- (c) The Company intends to use any funds raised towards continued exploration and expenditure on the Company's current assets, acquisition of new assets or investments (including expenses associated with such acquisitions) and/or general working capital.
- (d) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

If this Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table.

The table below shows the potential dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

		Dilution		
Variable 'A' in Listing Rule 7.1A.2 (Shares on issue)	Issue price per Share	\$0.0575 (50% decrease)	\$0.115 (Current)	\$0.23 (100% increase)
67,043,592 (Current)	10% voting dilution	6,704,359	6,704,359	6,704,359
	Funds raised	\$385,501	\$771,002	\$1,542,005
100,565,388 (50% increase)	10% voting dilution	10,056,539	10,056,539	10,056,539
	Funds raised	\$578,252	\$1,156,504	\$2,313,007
134,087,184 (100% increase)	10% voting dilution	13,408,718	13,408,718	13,408,718
	Funds raised	\$771,002	\$1,542,005	\$3,084,010

Notes:

- (i) The table has been prepared on the following assumptions:
- (A) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
 - (B) No convertible securities have been exercised before the date of the issue of the Equity Securities.
 - (C) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (D) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (E) The issue price is the current market price \$0.115, being the closing price of the Shares on ASX on 24 October 2024, being the last day that the Company's Shares were traded on the ASX before this Notice was printed.
 - (F) Variable A comprises of 67,043,592 existing Shares on issue as at the date of this Notice, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
- (ii) The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (e) The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
- (i) The fundraising methods available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate.
 - (ii) The effect of the issue of the Equity Securities on the control of the Company.
 - (iii) The financial situation and solvency of the Company.
 - (iv) Advice from corporate, financial and broking advisers (if applicable).
- The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.
- (f) The Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Notice.
- (g) At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in any such issue. However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

Board recommendation

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4: Ratification of Issue of Placement Shares

General

As announced on 22 March 2024, the Company raised \$345,501 (before costs) through the issue of 4,213,429 Shares at an issue price of \$0.082 per Share under a share purchase plan (**SPP**), and a further \$92,577 (before costs) via the placement of 1,128,993 shortfall Shares (**Placement Shares**). The Placement Shares were issued under the Company's existing Placement Capacity available under ASX Listing Rule 7.1.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

Listing Rules 7.1 and 7.4

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

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under those Listing Rules for the 12 month period following the issue of the Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rules 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1.

The effect of Shareholders passing Resolution 4 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 4 is passed, 1,128,993 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, 1,128,993 Placement Shares will continue to be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 1,128,993 Equity Securities for the 12 month period following the issue of the Placement Shares.

Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) The Placement Shares were issued to sophisticated and professional investors who have been selected based on factors including bidder type, bid timing and volume, existing holdings of each bidder, prior investment behaviours of each bidder, and aggregate demand for Placement Shares.
- (b) A total of 1,128,993 Placement Shares were issued using the Company's available placement capacity under Listing Rule 7.1.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Shares were issued on 22 March 2024.
- (e) The Placement Shares were issued for \$0.082 each, raising a total of \$92,577 (before costs).
- (f) The proceeds from the issue of Shares issued under the SPP and the Placement Shares were used to fund the Port Gregory Project pre-feasibility study, permitting activities for the Port Gregory Project, additional works at Redhill & other priority exploration targets, costs of the SPP and general working capital.
- (g) A voting exclusion statement is included in the Notice.

Additional information

Resolution 4 is an ordinary resolution.

The Board recommend that Shareholders vote in favour of Resolution 4.

6. Resolution 5: Ratification of Issue of Shares to Andrew Taplin

General

On 30 September 2024, the Company issued 777,605 Shares to Chief Executive Officer (**CEO**) Andrew Taplin under its available Placement Capacity under ASX Listing Rule 7.1 (**CEO Shares**). The Company conducted a performance evaluation for Mr Taplin in respect of the financial year ended 30 June 2024. One of the outcomes of this evaluation was to issue Mr Taplin a bonus of \$50,000 in shares based on the 14 day VWAP as of 1 May 2024.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the CEO Shares.

Listing Rules 7.1 and 7.4

Refer to Section 5 for a summary of Listing Rules 7.1 and 7.4.

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, 777,605 CEO Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, 777,605 CEO Shares will continue to be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 777,605 Equity Securities for the 12 month period following the issue of the CEO Shares.

Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the CEO Shares:

- (a) The CEO Shares were issued to Andrew Taplin.
- (b) A total of 777,605 CEO Shares were issued using the Company's available placement capacity under Listing Rule 7.1.
- (c) The CEO Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The CEO Shares were issued on 30 September 2024.
- (e) The CEO Shares were issued as a bonus as part of remuneration payable to Mr Taplin as CEO.
- (f) The CEO Shares were not issued under an agreement.
- (g) A voting exclusion statement is included in the Notice.

Additional information

Resolution 5 is an ordinary resolution.

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

7. Resolution 6: Ratification of issue of Collateral Shares under the ATM Subscription Agreement

General

On 8 August 2024, the Company announced that it had entered into an At-the-Market Subscription Agreement with Acuity Capital (**Subscription Agreement** or **ATM Subscription Agreement**). The Subscription Agreement provides the Company with up to \$2,000,000 of standby equity capital for the 5 years to 31 July 2029 (**Subscription Period**), subject to the terms and conditions of the Subscription Agreement.

The key terms of the Subscription Agreement are summarised below:

- (a) (**Subscription Amount**): the maximum subscription is an aggregate \$2,000,000 during the Subscription Period;
- (b) (**Activation Period**): the Company may issue an activation notice at any time during the Subscription Period which (among other things):
 - (i) must specify:
 - (A) the activation period start date and end date which may be any period determined by the Company within the Subscription period (**Activation Period**);
 - (B) the minimum issue price applicable to the relevant Activation Period, as determined by the Company; and
 - (C) the maximum number of Shares to be issued by the Company for the relevant Activation Period; and
 - (ii) may specify a maximum dollar value of Shares to be issued by the Company Activation Period;
- (c) (**Subscription**): Acuity Capital may, but is not obliged to, subscribe for Shares (**Subscription Shares**) by issuing a Subscription Notice to the Company during an Activation Period;
- (d) (**Issue Price**): the Subscription Shares will have an issue price equal to the greater of:
 - (i) a 10% discount to the volume weighted average price of the Company's Shares traded by Acuity Capital on ASX or Cboe Australia (as the context requires) during the relevant Activation Period and as notified to the Company; and
 - (ii) the Minimum Issue Price for the relevant Activation Period;
- (e) (**Collateral Shares**): the Company will issue 3,300,000 Shares to Acuity Capital to be held as security for the obligations owed by the Company under the Subscription Agreement (**Collateral Shares**), which shall be dealt with as follows on completion of the Subscription Period:
 - (i) the Company and Acuity Capital shall enter into a buy back agreement for the Company to buy back (for nil consideration) and cancel the Collateral Shares;
 - (ii) if agreed by the Company and Acuity Capital, Acuity Capital may acquire the Collateral Shares at a price agreed by the parties; or

- (iii) the Company elect that the Collateral Shares are transferred to a third party nominated by the Company;
- (f) **(Termination):**
 - (i) the Company may terminate the Subscription Agreement at any time during the Subscription Period by giving a written notice to Acuity Capital; and
 - (ii) Acuity Capital may terminate the Subscription Agreement in the event that the Company commits material breach of the terms of the agreement and fails to rectify such default within 5 business days of receiving a notice requiring it to do so.

On 8 August 2024, the Company issued the Collateral Shares to Acuity Capital utilising the Company's available placement capacity under Listing Rule 7.1.

Resolution 6 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Collateral Shares.

Listing Rules 7.1 and 7.4

Refer to Section 5 for a summary of Listing Rules 7.1 and 7.4.

The effect of Shareholders passing Resolution 6 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 6 is passed, 3,300,000 Collateral Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If **Error! Reference source not found.** is not passed, 3,300,000 Collateral Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 3,300,000 Equity Securities for the 12 month period following the issue of those Collateral Shares.

Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Collateral Shares:

- (a) The Collateral Shares were issued to Acuity Capital.
- (b) A total of 3,300,000 Collateral Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Collateral Shares are fully paid ordinary Shares.
- (d) The Collateral Shares were issued on 8 August 2024.
- (e) The Collateral Shares were issued as security under the Subscription Agreement. Accordingly, nil cash consideration was paid for the issue of the Collateral Shares.
- (f) A summary of the material terms of the Subscription Agreement is set out above.
- (g) A voting exclusion statement is included in the Notice.

Additional information

Resolution 6 is an ordinary resolution.

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

8. Resolution 7: Ratification of Issue of Royalty Funding Options

General

On 8 August 2024, the Company announced that it had entered royalty prepayment agreements to raise a total of \$2.1 million (**Royalty Funding**) in return for the grant of 1.05% in gross revenue royalties at the Port Gregory Project, together with one free attaching Option for every \$1 raised (**Royalty Funding Options**). A total of \$1,360,000 has been received by the Company as at the date of this Notice, with the balance expected to be received before the end of February 2025. The amount raised to date under the Royalty Funding includes \$50,000 from Director Aaron Williams, the subject of Resolution 8.

The Royalty Funding Options have an exercise price of \$0.25 each. A total of 1,310,000 Royalty Funding Options have been issued, comprising:

- (a) 500,000 Royalty Funding Options issued on 20 October 2023 with an expiry date of 20 October 2025 (of which 100,000 were subsequently cancelled);
- (b) 150,000 Royalty Funding Options issued on 22 March 2024 with an expiry date of 22 March 2026;
- (c) 750,000 Royalty Funding Options issued on 19 August 2024, consisting of:
 - (i) 100,000 Options expiring 7 December 2025;
 - (ii) 100,000 Options expiring 19 April 2026;
 - (iii) 25,000 Options expiring 13 July 2026;
 - (iv) 25,000 Options expiring 18 July 2026;
 - (v) 500,000 Options expiring 7 August 2026; and
- (d) 10,000 Options issued on 30 September 2024 with an expiry date of 9 August 2026.

The Company issued the Royalty Funding Options using its available placement capacity under Listing Rule 7.1.

Resolution 7 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of 910,000 Royalty Funding Options, being those that were issued in the 12 months prior to the Meeting.

Listing Rules 7.1 and 7.4

Refer to Section 5 for a summary of Listing Rules 7.1 and 7.4

The effect of Shareholders passing Resolution 7 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 7 is passed, 910,000 Royalty Funding Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, 910,000 Royalty Funding Options will continue to be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 910,000 Equity Securities for the 12 month period following the issue of the relevant Royalty Funding Options.

Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Royalty Funding Options:

- (a) The Royalty Funding Options were issued to royalty funding participants, none of whom is a related party of the Company other than Aaron Williams (separate approval is sought for the issue of Royalty Funding Options under Resolution 8), or a Material Investor other than S3 Consortium Holdings Pty Ltd <Nextinvestors Dot Com A/C>.
- (b) A total of 910,000 Options were issued in the past 12 months using the Company's available placement capacity under Listing Rule 7.1.
- (c) The Royalty Funding Options have an exercise price of \$0.25 each and the expiry dates set out above under the heading 'General'. The Royalty Funding Options are otherwise subject to the terms and conditions in Schedule 1.
- (d) The Royalty Funding Options were issued on the dates set out above under the heading 'General'.
- (e) The Royalty Funding Options were issued for nil cash consideration as they were free attaching Options under the Royalty Funding.
- (f) The material terms of the Royalty Funding agreements are as follows:
 - (i) Subscribers under the Royalty Funding entered into a subscription agreement and royalty deed (**Royalty Deed**), under which the subscribers paid an aggregate of \$1,360,000 for a proportion of the aggregate 1.05% of gross revenue royalties at the Port Gregory Project, together with one free attaching option for every \$1 raised. The Royalty Deed contains provisions which allow the Company to extinguish 60% of the royalty amount at its election at any time within the 2 years (**Second Anniversary**) from completion of the Royalty Deed through the payment of 125% of the subscription amount (**Extinguishment Fee**). Similarly, royalty holders who hold a royalty interest on the Second Anniversary may, within 90 days of the Second Anniversary, elect to be paid the Extinguishment Fee to extinguish 60% of their royalty interest.
- (g) A voting exclusion statement is included in the Notice.

Additional information

Resolution 7 is an ordinary resolution.

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

9. Resolution 8: Approval of Issue of Director Royalty Funding Options

General

The background to the Royalty Funding is in Section 8.

Director Aaron Williams subscribed for \$50,000 under the Royalty Funding, and as such is entitled to 50,000 Options on the same terms as the Royalty Funding Options subject to Shareholder approval (**Director Royalty Funding Options**).

Resolution 8 seeks the approval of Shareholders pursuant to Listing Rule 10.11 to approve the issue of the Director Royalty Funding Options.

Chapter 2E of the Corporations Act

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

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

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

Mr Williams participation in the Royalty Funding and the proposed issue of the Director Royalty Funding Options involves the Company giving him (a related party) a financial benefit.

In respect of Resolution 8, the Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because Mr Williams will participate in the Royalty Funding on the same terms (including in relation to the terms of the Options to be granted) as non-related parties which participated in the Royalty Funding, and as such the giving of the financial benefit is on arm's length terms for the purposes of the exception set out in section 210 of the Corporations Act. **x**

Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, an ASX-listed company must not issue or agree to issue Equity Securities to:

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

unless it obtains the approval of its shareholders.

The issue of the Director Royalty Funding Options the subject of Resolution 8 does not fall within any of the exceptions in ASX Listing Rule 10.12, and therefore require Shareholder approval under ASX Listing Rule 10.11.

Resolution 8 therefore seeks Shareholder approval for the issue of the Director Royalty Funding Options to Aaron Williams (or his nominee) for the purposes of ASX Listing Rule 10.11.

Specific information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Director Royalty Funding Options within one month after the date of the Meeting. If Resolution 8 is passed, a separate approval pursuant to ASX Listing Rule 7.1 will not be required for the issue of the Director Royalty Funding Options (because approval is being obtained under ASX Listing Rule 10.11 such that Exception 14 under ASX Listing Rule 7.2 applies), and the issue of the Director Royalty Funding Options will not use up any of the Company's Placement Capacity.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the relevant Director Royalty Funding Options.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the ratification of the issue of the Director Royalty Funding Options:

- (a) The Director Royalty Funding Options will be issued to Aaron Williams (or his nominee).
- (b) The proposed issue of the Director Royalty Funding Options falls within the category set out in ASX Listing Rule 10.11.1, as Aaron Williams is a related party of the Company by virtue of being a Director.
- (c) The number of Director Royalty Funding Options to be issued to Aaron Williams (or his nominee) is 50,000.
- (d) The Director Royalty Funding Options have an exercise price of \$0.25 each and expire on 28 July 2026. Full terms of the Director Royalty Funding Options are at Schedule 1.
- (e) The Director Royalty Funding Options will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (f) The Director Royalty Funding Options will be issued for nil cash consideration as they were free attaching Options under the Royalty Funding.
- (g) The issue of Director Royalty Funding Options is not intended to remunerate or incentivise Mr Williams.
- (h) The Director Royalty Funding Options are being issued under an agreement between Mr Williams and the Company, the key terms of which are summarised in Section 7.
- (i) A voting exclusion statement is included in the Notice.

Additional information

Resolution 8 is an ordinary resolution.

The Board (with Aaron Williams abstaining) recommend that Shareholders vote in favour of Resolution 8.

10. Resolution 9: Re-insertion of Proportional Takeover Bid Approval Provisions

General

The Constitution contains proportional takeover bid approval provisions (**PTBA Provisions**) which enable the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by Shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption or renewal and may then be renewed. The PTBA Provisions were included in the Company's Constitution upon its adoption in 2021 and have now expired.

Resolution 9 seeks the approval of Shareholders to modify the Constitution by re-inserting the PTBA Provisions for a further three years under sections 648G(4) and 136(2) of the Corporations Act. The proposed PTBA Provisions are identical to those previously contained in article 4.9 and schedule 5 of the Constitution.

The Corporations Act requires the Company to provide Shareholders with an explanation of the PTBA Provisions as set out below.

A proportional off-market takeover bid (**PT Bid**) is a takeover offer sent to all Shareholders but only for a specified portion of each Shareholder's Securities. Accordingly, if a Shareholder accepts in full the offer under a PT Bid, it will dispose of the specified portion of its securities in the Company and retain the balance of the Securities.

(a) **Effect of renewal**

If re-inserted, under article 4.9 and schedule 5 of the Constitution if a PT Bid is made to Shareholders of the Company, the Board is required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 14 days before the day before the last day of the bid period and during which the offers under the PT Bid remain open or a later day allowed by ASIC (**Deadline Date**).

The resolution is taken to have been passed if a majority of securities voted at the meeting, excluding the securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on by the Deadline Date, the resolution is deemed to have been passed.

Where the resolution approving the PT Bid is passed or deemed to have been passed, transfers of securities resulting from accepting the PT Bid are registered provided they otherwise comply with the Corporations Act, the Listing Rules, the ASX Operating Rules and the Company's Constitution. If the resolution is rejected, then under the Corporations Act the PT Bid is deemed to be withdrawn.

The Directors consider that Shareholders should have the opportunity to re-insert the PTBA Provisions. Without the PTBA Provisions applying, a PT 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 securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their securities whilst leaving themselves as part of a minority interest in the Company. Without the PTBA Provisions, if there was a PT Bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the PT Bid even if they did not want control of the Company to pass to the bidder. Re-inserting the PTBA Provisions will make this situation less likely by permitting Shareholders to decide whether a PT Bid should be permitted to proceed.

(b) **No knowledge of present acquisition proposals**

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

(c) **Potential advantages and disadvantages**

The renewal of the PTBA Provisions will enable the Directors to formally ascertain the views of Shareholders about a PT Bid. Without these provisions, the Directors are dependent upon their

perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that re-insertion of the PTBA Provisions has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a PT Bid should be accepted.

The Directors consider that re-inserting the PTBA Provisions benefits all Shareholders in that they will have an opportunity to consider a PT Bid and then attend or be represented by proxy at a meeting of Shareholders called specifically to vote on the proposal. Accordingly, Shareholders are able to prevent a PT Bid proceeding if there is sufficient support for the proposition that a substantial interest (and potentially control) of the Company should not be permitted to pass under the PT Bid. Furthermore, knowing the view of Shareholders assists each individual Shareholder to assess the likely outcome of the PT Bid and whether to accept or reject that bid.

As to the possible disadvantages to Shareholders re-inserting the PTBA Provisions, potentially, the proposal makes a PT Bid more difficult and PT Bids will therefore be discouraged. This may reduce the opportunities which Shareholders may have to sell all or some of their securities at a premium to persons seeking an increased holding or control of the Company and may reduce any takeover speculation element in the Company's Share price. The PTBA Provisions may also be considered an additional restriction on the ability of individual Shareholders to deal freely on their Securities.

The Directors consider that there are no other advantages or disadvantages for Directors or Shareholders which arose during the period during which the PTBA Provisions were in effect, other than those discussed in this Section. On balance, the Directors consider that the possible advantages outweigh the possible disadvantages so that the re-insertion of the PTBA Provisions is in the interest of Shareholders.

Additional information

Resolution 9 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 9.

DEFINITIONS

In this Notice of Meeting and Explanatory Statement, the following terms have the following meanings:

10% Placement Facility has the meaning in Section 4.

10% Placement Period has the meaning in Section 4.

Activation Period has the meaning given in Section 7.

Acuity Capital means Acuity Capital Investment Management Pty Ltd as trustee for the Acuity Capital Holdings Trust.

Annual Report means the annual report of the Company for the financial year ended 30 June 2024.

Article means an article of the Constitution.

ASIC means the Australian Securities and Investments Commission.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Auditor's Report means the auditor's report contained in the Annual Report.

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

Board means the board of Directors.

CEO Shares has the meaning given in Section 6.

Chair means the chairperson of the Meeting.

Closely Related Party means a spouse or child of the member; or has the meaning given in section 9 of the Corporations Act.

Collateral Shares has the meaning given in Section 7.

Company means Heavy Minerals Limited (ACN 647 831 883).

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

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

Director means a director of the Company.

Directors' Report means the directors' report contained in the Annual Report.

Director Royalty Funding Options has the meaning given in Section 9.

Equity Securities has the meaning as in the Listing Rules.

Explanatory Statement means this explanatory statement incorporated in this Notice.

Extinguishment Fee has the meaning given in Section 8.

Financial Report means the financial report contained in the Annual Report.

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 the ASX.

Material Investor means

Meeting, General Meeting or Annual General Meeting means the Annual General Meeting of Shareholders to be held at Level 8, 216 St Georges Terrace, Perth on Friday, 29 November 2024, commencing at 11:00am (AWST).

Minimum Issue Price has the meaning in Section 4.

Notice of Meeting or Notice means the notice of annual general meeting incorporating this Explanatory Statement.

Option means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.

Placement Shares has the meaning in Section 5.

Proxy Form means the proxy form attached to this Notice.

PT Bid has the meaning given in Section 10.

PTBA Provisions has the meaning given in Section 10.

Relevant Period means the 12 month period immediately preceding the date of the issue or agreement.

Remuneration Report means the remuneration report contained in the Annual Report.

Resolution means a resolution contained in the Notice.

Royalty has the meaning in Section 8.

Royalty Deed has the meaning in Section 8.

Royalty Funding has the meaning in Section 8.

Royalty Funding Options has the meaning in Section 8.

Section means a section of the Explanatory Statement.

Securities means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).

Share means an ordinary fully paid share in the Company.

Shareholder means a holder of a Share.

SPP has the meaning in Section 5.

Subscription Agreement has the meaning given in Section 7.

Subscription Shares has the meaning given in Section 7.

Strike has the meaning in Section 2.

VWAP has the meaning given to the term 'volume weighted average market price' in the Listing Rules.

Schedule 1: Terms and Conditions of Royalty Funding Options and Director Royalty Funding Options

The terms and conditions of the Royalty Funding Options and Director Royalty Funding Options (each referred to as **Options** in this Schedule) are as follows:

- (a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Expiry Date):** The Options will expire at 5:00pm (AEST) on the dates listed below:
 - (i) 150,000 Options have an expiry date of 22 March 2026;
 - (ii) 100,000 Options have an expiry date 7 December 2025;
 - (iii) 100,000 Options have an expiry date 19 April 2026;
 - (iv) 25,000 Options have an expiry date 13 July 2026;
 - (v) 25,000 Options have an expiry date 18 July 2026;
 - (vi) 500,000 Options have an expiry date 7 August 2026; and
 - (vii) 10,000 Options have an expiry date of 9 August 2026.

(Expiry Date). Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Period):** The Options are exercisable at any time on or prior to the Expiry Date **(Exercise Period)**.
- (d) **(Exercise Price):** The exercise price of each option is \$0.25 **(Exercise Price)**:
- (e) **(Change in Exercise Price):** There will be no change to the Exercise Price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
- (f) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds **(Exercise Date)**.

The Options held by each holder may be exercised in whole or in part, and if exercised in party, at least 10,000 must be exercised on each occasion.
- (g) **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.
- (h) **(Timing of issue of Shares on exercise):** Within 5 Business Days after the Exercise Date, the company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with

the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for the sale of the Shares does not require disclosure to investors.

- (i) **(Transferability):** The Options are not transferable, except with prior written approval of the Company.
- (j) **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (k) **(Takeovers prohibition):**
 - (i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
- (l) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) **(Entitlement to dividends):** The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
- (o) **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
- (p) **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
- (q) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.

(r) **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.

(Constitution): Upon the issue of Shares on exercise of the Options, the holder agrees to be bound by the Company's constitution.

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 **11.00am (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.



BY MAIL:

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GPO Box 5193
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IN PERSON:

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Sydney NSW 2000

BY EMAIL:

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BY FACSIMILE:

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All enquiries to Automic:

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