



# ESSENTIALMETALS

for a sustainable future

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## **ESSENTIAL METALS LIMITED ACN 103 423 981 NOTICE OF GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 9.00am (AWST)  
**DATE:** 16 September 2021  
**PLACE:** Quest Hotel Apartments  
54 Kings Park Road  
West Perth, Western Australia

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

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

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 09:00 am (AWST) on 14 September 2021.***

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

***Terms and abbreviations used in the Notice are defined in the Glossary.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF OPTIONS LINKED TO SPP

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 the issue of 12,029,246 Options on the terms and conditions set out in the Explanatory Statement."*

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

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES TO MILFORD RESOURCES

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 the issue of 661,243 Shares on the terms and conditions set out in the Explanatory Statement."*

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

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#### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER PLACEMENT

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 the issue of:*

(a) 16,764,394 Shares under Listing Rule 7.1; and

(b) 20,015,606 Shares under Listing Rule 7.1A,

*on the terms and conditions set out in the Explanatory Statement."*

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

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#### 4. RESOLUTION 4 – APPROVAL FOR DIRECTOR TO PARTICIPATE IN PLACEMENT – TIMOTHY SPENCER

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

*"That, for the purposes of section 195(4) and Listing Rule 10.11 and for all other purposes, approval is given for Mr Timothy Spencer (or his nominee) to participate in the Placement by subscribing for up to 400,000 Shares on the terms and conditions set out in the Explanatory Statement."*

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

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**5. RESOLUTION 5 – APPROVAL FOR DIRECTOR TO PARTICIPATE IN PLACEMENT – CRAIG MCGOWN**

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

*"That, for the purposes of section 195(4) and Listing Rule 10.11 and for all other purposes, approval is given for Mr Craig McGown (or his nominee) to participate in the Placement by subscribing for up to 400,000 Shares on the terms and conditions set out in the Explanatory Statement."*

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

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**6. RESOLUTION 6 – APPROVAL FOR DIRECTOR TO PARTICIPATE IN PLACEMENT – WARREN HALLAM**

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

*"That, for the purposes of section 195(4) and Listing Rule 10.11 and for all other purposes, approval is given for Mr Warren Hallam (or his nominee) to participate in the Placement by subscribing for up to 200,000 Shares on the terms and conditions set out in the Explanatory Statement."*

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

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**7. RESOLUTION 7 – APPROVAL FOR DIRECTOR TO PARTICIPATE IN PLACEMENT – PAUL PAYNE**

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

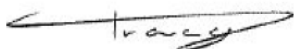
*"That, for the purposes of section 195(4) and Listing Rule 10.11 and for all other purposes, approval is given for Mr Paul Payne (or his nominee) to participate in the Placement by subscribing for up to 200,000 Shares on the terms and conditions set out in the Explanatory Statement."*

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

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**DATED: 13 AUGUST 2021**

**BY ORDER OF THE BOARD**



**CARL TRAVAGLINI  
COMPANY SECRETARY**

### Voting exclusions

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

<b>Resolution 1 – Ratification of prior issue of Options</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely any of the Company Shareholders who participated in the offer of the Options) or an associate of that person or those persons.
<b>Resolution 2 – Ratification of prior issue of Shares</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely Milford Resources Pty Ltd) or an associate of that person or those persons.
<b>Resolution 3 – Ratification of prior issue of Shares</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely any of the parties that received Shares under the Placement) or an associate of that person or those persons.
<b>Resolution 4 – Issue of Shares to Timothy Spencer</b>	Timothy Spencer (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 5 – Issue of Shares to Craig McGown</b>	Craig McGown (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 6 – Issue of Shares to Warren Hallam</b>	Warren Hallam (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7 – Issue of Shares to Paul Payne</b>	Paul Payne (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

### Voting by proxy

To vote by proxy, you may complete your voting online (instructions are contained in the enclosed Proxy Form) or by completing and signing the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

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

### **Voting in person**

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

Due to COVID19, the Meeting will be limited to the maximum number allowed by the WA Government at the time of the Meeting. Attendees will be permitted to join the Meeting on a first come, first serve basis, after allowing for the attendance of Company directors and a minimum number of personnel to facilitate the Meeting.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you submitted a Proxy Form (online or in paper form), your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Automic will need to verify your identity. You can register from 8:30 am (AWST) on the day of the meeting.

Should shareholders not wish to attend the Meeting in person, live audio from the Meeting will be made available from the commencement of the Meeting by dialling 1800 173 224 (guest passcode: 9696705). If you do not plan to attend the meeting please ensure you complete the enclosed Proxy Form as per the instructions outlined above as voting will not be available if dialling into the Meeting.

If you wish to raise a question for consideration at the meeting, please do so by submitting it no later than one week before the meeting date. Questions can be submitted by shareholders via email to ([info@essmetals.com.au](mailto:info@essmetals.com.au)). Please include:

- Your name and that of the holder of the shares (if the shares are held indirectly)
- Your telephone number
- Your question (please be as succinct as possible)

The Chairman, Craig McGown, or the Managing Director, Timothy Spencer, will provide responses during the meeting and will endeavour to cover all questions submitted. There is no assurance given that a separate or collective response will be provided covering each question submitted.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 6974.***

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## EXPLANATORY STATEMENT

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

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### 1. BACKGROUND TO RESOLUTIONS

On 4 August 2021, the Company announced that it had received firm commitments from institutional and sophisticated investors to raise \$5 million (**Placement**).

The Company announced on 10 August 2021 that a portion of the Placement was to be completed using the Company's Listing Rule 7.1 and 7.1A capacity (**Tranche 1**) and the balance (**Tranche 2**) would be completed at the earlier of:

- (a) the ratification of prior securities issues, including Tranche 1, by shareholders at this General Meeting; or
- (b) upon shareholders approving the Company to issue securities under Listing Rule 7.1A at the next shareholder Annual General Meeting; or
- (c) on 14 January 2022, being twelve months following the most recent issue of securities under Listing Rule 7.1.

The purpose of the Resolutions is therefore to:

- (a) ratify the issue of prior securities issued by the Company, including tranche 1 of the Placement; and
- (b) seek the approvals required for the Directors to participate in the Placement.

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### 2. RESOLUTIONS 1 TO 3 – RATIFICATION OF PRIOR ISSUES

#### 2.1 General

Resolutions 1 to 3 seek approval for the ratification of the following previous issues of securities:

- (a) 12,029,246 Options issued to participants in the Company's share purchase plan in January 2021 (Resolution 1);
- (b) 661,243 Shares issued to Milford Resources Pty Ltd in January 2021 (Resolution 2);
- (c) 16,764,394 Shares under Listing Rule 7.1 and 20,015,606 Shares under Listing Rule 7.1A pursuant to the recent Placement (Resolution 3); and

#### 2.2 Listing Rules

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.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The issue of the Shares and Options listed in Section 2.1 does not fit within any of the exceptions set out in Listing Rule 7.2 and, as they have not yet been approved by Shareholders, they effectively use up most of the Company's 15% and 10% placement capacities.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Securities under Resolutions 1 to 3.

## **2.3 Technical Information**

If any or all of Resolutions 1 to 3 are passed, then the Company's available placement capacity under Listing Rules 7.1 and 7.1A will be increased, and the Company will have that capacity available to issue new securities without Shareholder approval.

If any or all of Resolutions 1 to 3 are not passed, then the Shares and Options the subject of each Resolution will be counted against the Company's available placement capacity, effectively reducing the ability of the Company for the period of 12 months from the respective issue dates.

## **2.4 Resolution 1 – information required by the ASX Listing Rules:**

The following information is provided in relation to Resolution 1:

- (a) the Options were issued to Company Shareholders who participated in the Company's share purchase plan announced in November 2020 and issued under a prospectus dated 21 December 2021;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company or an associate of any of these parties; and
  - (ii) the issue of the Options was made to shareholders who had participated in the Company's share purchase plan in November 2020. All shareholders with a registered address in Australia and New Zealand were eligible to participate in the share purchase plan, which may have included Key management Personnel and substantial shareholders of the Company;
- (c) 12,029,246 Options were issued on the terms set out in Schedule 1, and any Shares issued on exercise of the Options will be issued on the same terms and conditions as the Company's existing Shares;

- (d) the Options were issued on 13 January 2021;
- (e) the Options were issued at nil cash cost to Shareholders who participated in the Company's share purchase plan on the basis of 1 Option for every 2 Shares subscribed for under the share purchase plan;
- (f) the Options were issued to encourage Shareholders to participate in the share purchase plan; and
- (g) the Options were not issued under any agreement.

## **2.5 Resolution 2 – information required by the ASX Listing Rules**

The following information is provided in relation to Resolution 2:

- (a) the Shares were issued to Milford Resources Pty Ltd;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that the recipient was:
  - (i) not a related party of the Company, member of the Company's Key Management Personnel, substantial holder of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) 661,243 Shares were issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 13 January 2021;
- (e) the Shares were issued for nil cash consideration as consideration for services relating to tenement pegging and administration services provided to the Company;
- (f) the purpose of the issue was to conserve cash by paying to Milford Resources for the services that they provided as described above; and
- (g) the Shares were not issued under any agreement.

## **2.6 Resolution 3 – information required by the ASX Listing Rules**

- (a) the Shares were issued to professional and sophisticated investors who are clients of Taylor Collison. The recipients were identified through a bookbuild process, which involved Taylor Collison seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties
- (c) 16,764,394 Shares were issued under Listing Rule 7.1 and 20,015,606 Shares were issued under Listing Rule 7.1A and all Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Shares were issued on 11 August 2021;
- (e) the issue price was \$0.125 per Share. The Company has not and will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of the Shares was to raise \$5,000,000 (gross proceeds), which will be applied toward advancing the Company's Pioneer Dome Lithium Project over the coming year, toward advancing its other projects and for working capital; and
- (g) the Shares were not issued under an agreement.

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### **3. RESOLUTIONS 4 TO 7 – DIRECTOR PARTICIPATION IN PLACEMENT**

#### **3.1 General**

As announced on 4 August 2021, the Directors wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Participation**).

Accordingly, Resolutions 4 to 7 seek the required approvals for each of the Directors to participate in the Placement as follows:

- (a) Timothy Spencer (or his nominated entity) – 400,000 Shares (\$50,000) (Resolution 4);
- (b) Craig McGown (or his nominated entity) – 400,000 Shares (\$50,000) (Resolution 5);
- (c) Warren Hallam (or his nominated entity) – 200,000 Shares (\$25,000) (Resolution 6); and
- (d) Paul Payne (or his nominated entity) – 200,000 Shares (\$25,000) (Resolution 7).

#### **3.2 Chapter 2E of the Corporations Act**

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

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

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

The Participation will result in the issue of Shares which constitutes giving a financial benefit to the Directors, who are all related parties.

The Directors, who will all arguably receive a financial benefit by virtue of being able to participate in the Placement, note that the price of the Shares was determined in consultation with Taylor Collison and was dictated by the price at which the lead manager considered was appropriate to complete the Placement, not to provide a financial benefit to the Directors, and the purpose

for participating in the Placement is to evidence the belief the Directors have in the Company's projects.

### **3.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to a related party unless it obtains the approval of its shareholders.

The participation in the Placement falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 4 to 7 seeks Shareholder approval for the participation in the Placement under and for the purposes of Listing Rule 10.11.

### **3.4 Technical information required by Listing Rule 14.1A**

If any or all of Resolutions 4 to 7 are passed, the Company will be able to proceed with the issue of the Shares to the relevant Director within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner described in Section 2.6(f). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares in respect of Resolutions 4 to 7 (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If any or all of Resolutions 4 to 7 are not passed, the Company will not be able to proceed with the issue of the Shares under that Resolution.

### **3.5 Technical 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 Resolutions 4 to 7:

- (a) the Shares will be issued to:
  - (i) Timothy Spencer (Resolution 4);
  - (ii) Craig McGown (Resolution 5);
  - (iii) Warren Hallam (Resolution 6); and
  - (iv) Paul Payne (Resolution 7),

(or their respective nominees), who falls within the category set out in Listing Rule 10.11;
- (b) the maximum number of Shares to be issued is:
  - (i) 400,000 Shares under Resolution 4;
  - (ii) 400,000 Shares under Resolution 5;
  - (iii) 200,000 Shares under Resolution 6; and
  - (iv) 200,000 Shares under Resolution 7;

- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on the same date;
- (e) the issue price will be \$0.125 per Share, being the same issue price as Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares is to enable the Directors to participate in the Placement, which the Company intends to use in the manner set out in Section 2.6(f);
- (g) the Shares to be issued under Resolutions 4 to 7 are not intended to remunerate or incentivise any of the Directors;
- (h) the Shares are not being issued under an agreement;
- (i) the number of Shares to be issued is a result of the number of Shares that each Director has indicated their ability or willingness to purchase under the Placement;
- (j) the total unaudited remuneration package (which includes base salary and superannuation guarantee contributions) for each of the Related Parties for the previous financial year and the estimated total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Timothy Spencer	\$286,000	\$273,750
Craig McGown	\$82,500	\$82,500
Warren Hallam	\$60,000	\$60,000
Paul Payne	\$60,000	\$60,000

- (k) the value of the Shares is determined by multiplying the number of Shares to be issued to each Director by the price payable for those Shares (\$0.125 per Share);
- (l) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options	Performance Rights
Timothy Spencer	712,941	1,676,470	954,545
Craig McGown	1,600,561	1,176,472	-
Warren Hallam	-	600,000	-
Paul Payne	554,099	676,470	-

- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.235	12 August 2021
Lowest	\$0.076	22 December 2020 30 December 2020
Last	\$0.205	12 August 2021

- (n) each Director has a material personal interest in the outcome of Resolutions 4 to 7 on the basis that all of the Directors (or their nominees) are to be issued Shares should Resolutions 4 to 7 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 4 to 7 of this Notice; and
- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 4 to 7

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities & Investments Commission.

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

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

**AWST** means Australian Western Standard Time as observed in Perth, Western Australia.

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

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

**Chair** means the chair of the Meeting.

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

- (p) a spouse or child of the member;
- (q) a child of the member's spouse;
- (r) a dependent of the member or the member's spouse;
- (s) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (t) a company the member controls; or
- (u) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Essential Metals Limited (ACN 103 423 981).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

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

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

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

**Option Holder** means a holder of an Option.

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

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

**Section** means a section of the Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 November 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company (or by such other manner as may be required by the Company) (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 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 and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

# Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **9.00am (WST) on Tuesday, 14 September 2021**, 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 KMP.

### 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://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:

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

**PHONE:** 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)



**AUTOMIC**

**Appoint the Chair of the Meeting (Chair)** OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

## SS

Resolutions		For	Against	Abstain
1.	Ratification of Prior Issue of Options Linked to SPP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Ratification of Prior Issue of Shares to Milford Resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Ratification of Prior Issue of Shares Under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Approval for Director to participate in Placement – Timothy Spencer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Approval for Director to participate in Placement – Craig McGown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Approval for Director to participate in Placement – Warren Hallam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Approval for Director to participate in Placement – Paul Payne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

## SS

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		Date (DD/MM/YY)
		<div style="display: inline-block; width: 30px; height: 25px; border: 1px solid black; margin-right: 5px;"></div> <div style="font-size: 20px; margin: 0 5px;">/</div> <div style="display: inline-block; width: 30px; height: 25px; border: 1px solid black; margin-right: 5px;"></div> <div style="font-size: 20px; margin: 0 5px;">/</div> <div style="display: inline-block; width: 30px; height: 25px; border: 1px solid black;"></div>

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