

Notice of General Meeting and Proxy Form

Dalaroo Metals Ltd (**ASX: DAL**, “Dalaroo” or “Company”) is convening a general meeting of shareholders (**Meeting**) on Monday, 19 August 2024 at 11:00 am (AWST). If you would like to attend the Meeting, it will be held at Level 1, Suite 9, 110 Hay Street, Subiaco, Western Australia 6008. If the above arrangements with respect to the Meeting change, shareholders will be updated via the ASX Market Announcements Platform as well as the Company’s website at <https://dalaroometals.com.au>.

In accordance with Section 110D(1) of the Corporations Act 2001 (Cth) (**Corporations Act**), the Company will not be sending hard copies of the notice of meeting (**Notice**) to shareholders unless a shareholder has requested a hard copy of the Notice or made an election for the purposes of section 110E of the Corporations Act to receive documents from the Company in physical form. The Notice can be viewed and downloaded from the Company’s website at <https://dalaroometals.com.au/asxannouncements> or from the ASX Market Announcements Platform website.

Shareholders are encouraged to participate in voting on the resolutions to be considered at the Meeting. To vote by proxy, please complete, sign and return your personalised proxy form in accordance with the instructions set out in the proxy form. Alternatively, you may vote online at <https://investor.automic.com.au/#/loginsah>, or in person by attending the Meeting.

Proxy form instructions (by proxy form or online voting) must be received by the Company’s share registry by no later than 11:00 am (AWST) on Saturday, 17 August 2024. Instructions received after that time will not be valid for the Meeting.

The Company encourages all shareholders to vote prior to the Meeting by returning their proxy voting instructions before the deadline and advises that all voting in respect of resolutions considered at the Meeting will be conducted on a poll.

The Company encourages all shareholders to communicate with the Company by email at info@dalaroometals.com.au and with the Company’s share registry at hello@automic.com.au. These methods allow the Company to keep you informed without delay, are environmentally friendly, and reduce the Company’s print and mail costs.

Please register to receive electronic communications and update your shareholder details online at <https://investor.automic.com.au/#/signup>.

John Arbuckle
Company Secretary

Dalaroo Metals Ltd
ACN 648 476 699

Notice of General Meeting

Notice is given that the general meeting of the Company (**Meeting**) will be held at:

Time 11:00 am (AWST)
Date Monday, 19 August 2024
Place Level 1, Suite 9, 110 Hay Street
Subiaco WA 6008

Important: This Notice is an important document that should be read in its entirety. If you are in any doubt or have any questions about this document, you should promptly consult your stockbroker, accountant or other professional adviser.

Notice of General Meeting

Notice is given that the general meeting of Dalaroo Metals Ltd (ACN 648 476 699) (**Company**) will be held at 11:00 am (AWST) on Monday, 19 August 2024 at Level 1, Suite 9, 110 Hay Street, Subiaco WA 6008.

Agenda

The agenda for the Meeting will be to consider the Resolutions set out below.

1 Ratification of prior issue of Tranche 1 Placement Shares to the Tranche 1 Participants

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 12,412,500 Placement Shares at an issue price of \$0.016 per Placement Share to raise approximately \$198,600 (before costs) as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of the Placement Shares or a counterparty to the agreement being approved (including the person named as a "material investor" in section 2.3(d) of the Explanatory Statement), or any of their respective associates.

2 Approval to issue Tranche 2 Placement Shares to the Tranche 2 Participants

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 135,337,500 Placement Shares at an issue price of \$0.016 per Placement Share to raise approximately \$2,165,400 (before costs) as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

3 Approval to issue Placement Options to the Placement Participants

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 147,750,000 free attaching Placement Options to the Placement Participants as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) (including the person named as a "material investor" in section 2.4(d)(i) of the Explanatory Statement), or any of their respective associates.

4 Approval to issue Placement Securities to Mr Joshua Gordon

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

"That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 5,375,000 Placement Shares and 5,375,000 Placement Options to Mr Joshua Gordon (or his nominees) as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Joshua Gordon (and his nominees), or any of his respective associates 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 Shares in the Company).

5 Approval to issue Placement Securities to Mr Bilal Ahmad

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

"That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 12,500,000 Placement Shares and 12,500,000 Placement Options to Mr Bilal Ahmad (or his nominees) as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Bilal Ahmad (and his nominees), or any of their respective associates 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 Shares in the Company).

6 Approval to issue Broker Options to the Lead Manager

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

"That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 16,562,500 Broker Options to the Lead Manager (or its nominees) as partial consideration for lead manager services with respect to the Placement, as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Lead Manager (and / or its nominees) and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

7 Approval to issue Performance Rights to Mr Joshua Gordon

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

"That, pursuant to and in accordance Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 4,000,000 Performance Rights to Mr Joshua Gordon (or his nominees) under the Plan as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Joshua Gordon (or any of his respective associates), or by any person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in any employee incentive scheme of the Company or any of their respective associates.

8 Approval to issue Performance Rights to Mr Bilal Ahmad

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

"That, pursuant to and in accordance Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 4,000,000 Performance Rights to Mr Bilal Ahmad (or his nominees) under the Plan as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Bilal Ahmad (or any of his respective associates), or by any person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in any employee incentive scheme of the Company or any of their respective associates.

Voting exclusions and exceptions

Where a voting exclusion and / or voting prohibition applies to a Resolution, it is set out below the relevant Resolution. The voting exclusions and / or voting prohibitions (as applicable) for the following Resolutions are subject to the exceptions stated in the table below (as applicable).

Resolution	Exceptions
4 5 7 8	<p>A person (voter) described in the voting prohibition may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in the voting exclusion and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on the Resolution; and(ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
1 2 3 4 5 6 7 8	<p>The voting exclusion does not apply to a vote cast in favour of the Resolution by:</p> <ul style="list-style-type: none">(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;(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 Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:<ul style="list-style-type: none">(i) the beneficiary provides written confirmation to the Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

Voting entitlements

The Company has determined that, in accordance with section 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the Meeting, Shares will be taken to be held by the persons who are the registered holders at 11:00am (AWST) on Saturday, 17 August 2024. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting instructions

- (a) Votes at the Meeting may be given personally or by proxy, attorney or representative.
- (b) A proxy need not be a Shareholder of the Company.
- (c) The Proxy Form sent with this Notice should be used for the Meeting.
- (d) Each Shareholder who is entitled to cast 2 or more votes at the Meeting may appoint up to 2 persons to act as proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a Shareholder does not specify the proportion or number of that Shareholder's votes that each proxy may exercise, then each proxy will be entitled to exercise half of that Shareholder's votes. An additional Proxy Form will be supplied by the Company on request. No Shareholder may appoint more than 2 proxies.
- (e) In the case of a Shareholder who is an individual, a Proxy Form must be executed under the hand of the individual or their attorney duly authorised in writing and, in the case of a member that is a corporation, a Proxy Form must be executed by the corporation under common seal, pursuant to section 127 of the Corporations Act or under the hand of its duly authorised officer or attorney.
- (f) Any Shareholder may by power of attorney appoint an attorney to act on his or her behalf and such power of attorney or a certified copy of it must be received by the Company in accordance with this Notice.
- (g) Any corporation that is a Shareholder may appoint a representative to attend and vote for that corporation at the Meeting. Appointments of corporate representatives must be received by the Company in accordance with this Notice or handed in at the Meeting when registering as a corporate representative.
- (h) Any directed proxies that are not voted on a poll at the Meeting by a Shareholder's appointed proxy will automatically default to the Chair, who is required to vote proxies as directed on a poll.
- (i) A member of the Key Management Personnel (which includes each Director) will not be able to vote as proxy on Resolutions 4, 5, 7 and 8 (**Relevant Resolutions**) unless the Shareholder directs it how to vote or, in the case of the Chair, unless the Shareholder expressly authorises the Chair to do so.
- (j) If a Shareholder intends to appoint a member of the Key Management Personnel (other than the Chair) as its proxy, the Shareholder should ensure that it directs the member of the Key Management Personnel how to vote on the Relevant Resolutions.
- (k) If a Shareholder intends to appoint the Chair as its proxy for the Relevant Resolutions, the Shareholder can direct the Chair how to vote by marking one of the boxes for each Relevant Resolution (e.g. if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If a Shareholder does not direct the Chair how to vote, then by submitting the Proxy Form, the Shareholder will be expressly authorising the Chair to exercise the proxy in respect of each Relevant Resolution even though it is connected to the remuneration of a member of the Key Management Personnel.
- (l) Proxy Forms (including any instruments under which they have been executed) and powers of attorney granted by Shareholders must be lodged with the Company's share registry, Automatic Share Registry:
 - (i) by post to GPO Box 5193, Sydney NSW 2001;

- (ii) by hand at Level 5, 126 Phillip Street, Sydney NSW 2000;
- (iii) online at <https://investor.automic.com.au/#/loginsah>;
- (iv) by email to meetings@automicgroup.com.au; or
- (v) by facsimile to +61 2 8583 3040,

so that they are received no later than 48 hours before the commencement of the Meeting.

- (m) The Chair intends to exercise all available proxies in favour of all Resolutions unless the Shareholder has expressly indicated a different voting intention.
- (n) If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on the Relevant Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Document components

This document includes this Notice and the accompanying Explanatory Statement and Proxy Form.

Authorisation

By order of the Board.

John Arbuckle
Company Secretary

18 July 2024

Explanatory Statement

1 General

1.1 Purpose

This Explanatory Statement sets out the information which the Directors believe is material to Shareholders in deciding whether or not to pass the Resolutions. A Proxy Form is located at the end of the Explanatory Statement.

1.2 Access to Notice

In accordance with section 110D of the Corporations Act, this Notice and Explanatory Statement are being made available to Shareholders by electronic means and the Company will not be dispatching physical copies of this Notice, other than to any Shareholder who has elected to receive notices of meeting in hard copy only pursuant to section 110E, or who otherwise requests a hard copy of this Notice at least 48 hours before the Meeting.

The Notice can be viewed and downloaded at the following link:

- the Company's website at www.dalaroometals.com.au/asx-announcements;
- the Company's ASX announcements platform at <https://www.asx.com.au/markets/trade-our-cash-market/announcements.dal>; and
- if the Shareholder has nominated an email address and elected to receive electronic communications from the Company, the link sent by the Company to the Shareholder's nominated email address.

1.3 Board recommendations

To the extent it can, each Director recommends that Shareholders vote in favour of each Resolution.

2 Resolutions 1, 2 and 3 – Issue of Placement Securities to the Placement Participants

2.1 General

On 25 June 2024, the Company announced that it had received binding commitments for a two tranche placement to raise approximately \$2,650,000 (before costs) through the issue of a total of 165,625,000 Shares at \$0.016 each (**Placement Shares**), together with 165,625,000 free attaching New Options for every Placement Share subscribed, exercisable at \$0.036 each, expiring 5 years from their issue date and otherwise on the terms set out in Schedule 1 (**Placement Options**) to professional and sophisticated investors (**Placement**).

The Placement consists of the following:

- a first tranche of 12,412,500 Placement Shares to raise \$198,600 (before costs), together with 12,412,500 free attaching Placement Options to unrelated sophisticated and professional investors (**Tranche 1 Participants**) (**Tranche 1**); and
- a second tranche of an additional 153,212,500 Placement Shares to raise an additional \$2,451,000 (before costs), together with 153,212,500 free attaching Placement Options (**Tranche 2**), consisting of:

- 135,337,500 Placement Shares, together with 135,337,500 free attaching Placement Options to unrelated sophisticated and professional investors (**Tranche 2 Participants**);
- 17,875,000 Placement Shares, together with 17,875,000 free attaching Placement Options to Mr Josh Gordon and Mr Bilal Ahmad (**Director Participants**).

On 1 July 2024, the Company issued 12,412,500 Placement Shares to the Tranche 1 Participants using the Company's placement capacity under Listing Rule 7.1 to raise \$198,600 (before costs).

Due to having insufficient placement capacity under Listing Rule 7.1, and not being able to use the additional placement capacity under Listing Rule 7.1A, the Company will not be able to proceed with the issue of the Placement Shares under Tranche 2 and the Placement Options under Tranche 1 and Tranche 2 until it obtains Shareholder approval. Accordingly, subject to receiving Shareholder approval, the Company has agreed to issue the following additional Placement Securities:

- 135,337,500 Placement Shares to the Tranche 2 Participants; and
- 147,750,000 Placement Options to the Placement Participants.

Furthermore, the issue of the Placement Shares and Placement Option under Tranche 2 to the Director Participants will require Shareholder approval under Listing Rule 10.11. Accordingly, subject to receiving Shareholder approval, the Company has agreed to issue the following Placement Securities to the Director Participants:

- 5,375,000 Placement Shares and 5,375,000 free attaching Placement Options to Mr Joshua Gordon (or his nominees); and
- 12,500,000 Placement Shares and 12,500,000 free attaching Placement Options to Mr Bilal Ahmad (or his nominees).

The Company engaged the Lead Manager as lead manager to the Placement. The Lead Manager will be paid a 6% fee on the total funds raised under the Placement (plus GST) and 1 New Option for every 10 Placement Shares subscribed for under the Placement (**Broker Option**).

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares under Tranche 1 to the Tranche 1 Participants.

Resolutions 2 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Placement Shares under Tranche 2 to the Tranche 2 Participants.

Resolution 3 seeks the approval of the Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Placement Option to the Placement Participants.

Resolutions 1, 2 and 3 are ordinary resolutions.

The Board recommends that Shareholders vote in favour of Resolutions 1, 2 and 3.

2.2 Listing Rules 7.1, 7.2 and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 sets out various types of equity issues that are excluded from the operation of Listing Rule 7.1. As the agreement to issue the Placement Options to the Placement Participants falls within exception 17 of Listing Rule 7.2, the Placement Options cannot be issued to the Placement Participants unless Shareholder approval is obtained under Listing Rule 7.1.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and

provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly:

- Resolution 1 seeks Shareholder approval for the previous issue of the Placement Shares under Tranche 1 to the Tranche 1 Participants for the purposes of Listing Rule 7.4;
- Resolution 2 seeks Shareholder approval for the proposed issue of Placement Shares under Tranche 2 to the Tranche 2 Participants for the purposes of Listing Rule 7.1; and
- Resolution 3 seeks Shareholder approval for the proposed issue of the Placement Options to the Placement Participants for the purposes of Listing Rule 7.1.

If Resolution 1 is passed, 12,412,500 Placement Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of these Placement Shares (being 1 July 2024).

If Resolution 1 is not passed, 12,412,500 Placement Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of these Placement Shares (being 1 July 2024).

If Resolution 2 is passed, this will allow the Company to issue the Placement Shares under Tranche 2 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Placement Shares to the Tranche 2 Participants under Tranche 2.

If Resolution 3 is passed, this will allow the Company to issue the Placement Options to the Placement Participants during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Placement Options to the Placement Participants.

2.3 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 under Tranche 1 to the Tranche 1 Participants:

- (a) a total of 12,412,500 Placement Shares were issued on 1 July 2024 within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval;
- (b) the Placement Shares were issued at \$0.016 per Placement Share;
- (c) the Placement Shares issued were 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 to the Tranche 1 Participant, being an investor selected by the Company in consultation with the Lead Manager. Tranche 1 Participant, Ms Chunyan Niu, is considered a "material investor" as per ASX Guidance Note 21, paragraph 7.4, as Ms Chunyan Niu is an investor who was issued 12,412,500 Placement Shares and is now a substantial shareholder of the Company. No other Tranche 1 Participants are considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.4;

- (e) the proceeds from the issue of the Placement Shares are intended to be used towards planned exploration at the Lyons River Project, as well as for costs of the Placement, general working capital and costs to identify and assess complimentary project opportunities for the Company;
- (f) the material terms on which the Placement Shares were issued are set out in section 2.1; and
- (g) a voting exclusion statement is included in the Notice.

2.4 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Placement Shares under Tranche 2 of the Placement to the Tranche 2 Participants and Placement Options under the Placement to the Placement Participants:

- (a) a maximum of:
 - (i) 135,337,500 Shares will be issued under Tranche 2 of the Placement to the Tranche 2 Participants (or their nominees) as Placement Shares; and
 - (ii) 165,625,000 unquoted New Options will be issued under the Placement to the Placement Participants (or their nominees) as Placement Options;
- (b) the Placement Shares and Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Placement Shares will be issued at \$0.016 per Share. The Placement Options are free-attaching to the Placement Shares issued under Tranche 1 of the Placement and to be issued under Tranche 2 of the Placement and therefore will be issued at an issue price of nil;
- (d) the Placement Shares will be issued to the Tranche 2 Participants and Placement Options will be issued to Placement Participants, being investors selected by the Company in consultation with the Lead Manager, which is not considered to be a related party of the Company. Of the Placement Participants:
 - (i) as mentioned in section 2.3(d), the Company considers that Tranche 1 Participant, Ms Chunyan Niu, is considered a "material investor" as per ASX Guidance Note 21, paragraph 7.4 as Ms Chunyan Niu is an investor who was issued 12,412,500 Placement Shares and is now a substantial shareholder of the Company; and
 - (ii) the Company does not consider that any of the Tranche 2 Participants are "material investors" for the purposes of paragraph 7.2 of Guidance Note 21;
- (e) the Placement Shares will be issued as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue, and the Placement Options will be exercisable at \$0.036 each on or before the date that is 5 years from their issue date and will otherwise be issued on the terms and conditions set out in Schedule 1;
- (f) the Company intends to use the proceeds from the issue of the Placement Shares are intended to be used towards planned exploration at the Lyons River Project, as well as for costs of the Placement, general working capital and costs to identify and assess complimentary project opportunities for the Company. No funds will be raised from the issue of the Placement Options as they are free-attaching to the Placement Shares; and
- (g) it is intended that the Placement Shares and Placement Options will be issued on the same date;
- (h) the material terms on which the Placement Shares and Placement Options will be issued are set out in section 2.1; and

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

3 Resolutions 4 and 5 – Approval to issue Placement Securities to Director Participants

3.1 General

Mr Joshua Gordon and Bilal Ahmad, each of whom are Directors of the Company (together, the **Director Participants**), wish to participate in Tranche 2 of the Placement, subject to Shareholder approval being obtained. Accordingly, Resolutions 4 and 5 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 17,875,000 Placement Shares and 17,875,000 free attaching Placement Options to the Director Participants as follows:

- 5,375,000 Placement Shares and 5,375,000 free attaching Placement Options to Mr Joshua Gordon (or his nominees); and
- 12,500,000 Placement Shares and 12,500,000 free attaching Placement Options to Mr Bilal Ahmad (or his nominees).

The Placement Securities will be issued to the Director Participants on the same terms as the Placement Securities issued or to be issued under the Placement to the Placement Participants. Please refer to section 2.1 for a summary and terms of the Placement.

Resolutions 4 and 5 are ordinary resolutions.

The Board (other than Mr Joshua Gordon, who has a material personal interest in the outcome of Resolution 4) recommends that Shareholders vote in favour of Resolution 4.

The Board (other than Mr Bilal Ahmad, who has a material personal interest in the outcome of Resolution 5) recommends that Shareholders vote in favour of Resolution 5.

3.2 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 (Listing Rule 10.11.1);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) 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 (Listing Rule 10.11.3);
- an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The Director Participants are related parties of the Company by virtue of both being Directors. As their participation in Tranche 2 of the Placement (**Director Participation**) involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Resolutions 4 and 5 seek the requisite Shareholder approvals for the proposed issue of Placement Securities to the Director Participants under and for the purposes of Listing Rule 10.11.

If Resolution 4 is passed the Company will be able to proceed with the issue of the Placement Shares and Placement Options to Mr Joshua Gordon (or his respective nominees).

If Resolution 5 is passed the Company will be able to proceed with the issue of the Placement Shares and Placement Options to Mr Bilal Ahmad (or his respective nominees).

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Placement Shares and Placement Options to Mr Joshua Gordon (or his respective nominees) and the Company will need to return funds received from Mr Joshua Gordon.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Placement Shares and Placement Options to Mr Bilal Ahmad (or his respective nominees) and the Company will need to return funds received from Mr Bilal Ahmad.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Shares to the Related Party Participants (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

3.3 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 proposed participation of the Director Participants in Tranche 2 of the Placement:

- (a) the Placement Shares and Placement Options will be issued to Mr Joshua Gordon and Mr Bilal Ahmad (or their respective nominees), both of whom are Directors of the Company;
- (b) Mr Gordon and Mr Ahmad are related parties of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.11.1. In the event that the Placement Shares and Placement Options are issued to a nominee of the Directors, those persons will fall into the category stipulated by Listing Rule 10.11.4;
- (c) the maximum number of Placement Shares to be issued to the Director Participants is 17,875,000 Placement Shares and 17,875,000 free attaching Placement Options in the following proportions:
 - (i) 5,375,000 Placement Shares and 5,375,000 free attaching Placement Options to Mr Gordon (or his nominees); and
 - (ii) 12,500,000 Placement Shares and 12,500,000 free attaching Placement Options to Mr Ahmad (or his nominees);
- (d) the issue price of the Placement Shares will be \$0.016 each, being the same as all other Shares issued under the Placement to the Placement Participants, with the Placement Options to be issued as free attaching New Options for every Placement Share subscribed for under the Placement and therefore at an issue price of nil;
- (e) the Placement Shares and Placement Options 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);
- (f) the Placement Shares issued and Shares to be issued on exercise of the Placement Options 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;
- (g) the funds raised under the Placement will be used for the same purposes as all other funds raised under the Placement as set out in section 2.1;

- (h) the Placement Shares and Placement Options are being issued to Mr Gordon and Mr Ahmad on the same terms as the other Placement Participants and are therefore not intended to remunerate Mr Gordon and Mr Ahmad;
- (i) the material terms of the Placement Options are set out in Schedule 1;
- (j) the Placement Shares and Placement Options are not being issued under an agreement; and
- (k) a voting exclusion statement is included in the Notice.

3.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval 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 issue of the Placement Securities to the Director Participants will result in the issue of the Placement Securities to Directors of the Company, which constitutes the giving of a financial benefit to related parties of the Company.

The Board (other than Mr Joshua Gordon, who has a material personal interest in the outcome of Resolution 4 and Mr Bilal Ahmad, who has a material personal interest in the outcome of Resolution 5) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Placement Securities will be issued to the Director Participants on the same terms as the Placement Securities issued to the unrelated Placement Participants and as such the giving of the financial benefit is on arm's length terms.

4 Resolution 6 – Approval to issue Broker Options to the Lead Manager

4.1 General

As announced on 25 June 2024, the Company is in the process of completing the Placement, the material terms of which are set out in section 2.1. The Company engaged the Lead Manager pursuant to a mandate agreement (**Mandate**) to lead manage the Placement. Under the Mandate, for providing lead manager services to the Company in connection with the Placement, the Company agreed to pay the following consideration to the Lead Manager (or its nominees):

- a cash fee of 6% (plus GST) on the total funds raised under the Placement (equating to approximately \$159,000 (plus GST)); and
- 1 New Option for every 10 Placement Shares subscribed for under the Placement, equating to 16,562,500 Broker Options to the Lead Manager (or its nominees).

The Lead Manager was also given Board nomination rights for up to 2 new Directors under the Mandate.

The Mandate otherwise contains customary terms for an agreement of this nature, including in relation to termination, representations and warranties, confidentiality and indemnities.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 10.11 to issue 16,562,500 Broker Options to the Lead Manager (or its nominees) as partial consideration for the Lead Manager acting as lead manager to the Placement.

The Board (other than Mr Gordon and Mr Ahmad, who decline to make a recommendation in relation to Resolution 6) recommends that Shareholders vote in favour of Resolution 6.

4.2 Relationship between the Company and the Lead Manager

The Lead Manager has been engaged as the Company's lead manager for the Placement, which is currently being undertaken in 2 tranches as described in section 2.1. Under the Mandate, and as mentioned in section 4.1, the Lead Manager had the ability to make 2 Board nominations. Mr Gordon and Mr Ahmad, being the nominees selected by the Lead Manager, were recently appointed as Non-Executive Directors of the Company and are therefore related parties of the Company.

Given Mr Gordon and Mr Ahmad were appointed in accordance with the Lead Manager's Board nomination rights under the Mandate (which may be considered a "relevant agreement" under Listing Rule 10.11.4) the Lead Manager may be considered an associate of Mr Gordon and Mr Ahmad for the purposes of Listing Rule 10.11.4. Due to this arguably technical association, the Company is seeking Shareholder approval for the purposes of Listing Rule 10.11, rather than Listing Rule 7.1, for the issue of the Broker Options.

The Mandate does not have an ongoing term and will come to an end on conclusion of the Placement. In this regard, the Company considers that this arguably technical association between the Company and Mr Gordon and Mr Ahmad under Listing Rule 10.11.4 will cease on completion of the Placement.

The Company has also considered and determined that the Lead Manager is not an entity that is controlled by Mr Gordon or Mr Ahmad. Accordingly, Shareholder approval is not required in relation to section 208 of the Corporations Act in respect of the issue of the Broker Options.

4.3 Listing Rule 10.11

A summary of Listing Rules 10.11 is set out in section 3.2.

The Lead Manager is considered an associate of Mr Gordon and Mr Ahmad, who are related parties of the Company by virtue of their respective positions with the Company as Non-Executive Directors. As the issue of the Broker Options involves the issue of Options to an associate of related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Accordingly, Resolution 6 seeks Shareholder approval for the proposed issue of Broker Options under and for the purposes of Listing Rule 10.11.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Broker Options to the Lead Manager (or its nominees) during the period of 1 month after the Meeting (or a longer period, if allowed by ASX).

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Broker Options to the Lead Manager (or its nominees) and the Company may need to consider an alternative form of payment to the Lead Manager as partial consideration for the lead manager services provided by the Lead Manager to the Company in relation to the Placement, including the payment of cash.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Broker Options to the Lead Manager (or its nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

4.4 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 proposed issue of the Broker Options.

- (a) the Broker Options will be issued to the Lead Manager (or its nominees);

- (b) the Lead Manager is an associate of Mr Gordon and Mr Ahmad, who are related parties of the Company by virtue of their positions with the Company as Non-Executive Directors. The Lead Manager falls into a category stipulated by Listing Rule 10.11.4. The Lead Manager's relationship with the Company is further set out in section 4.2 above;
- (c) a maximum of 16,562,500 New Options are intended to be issued as Broker Options;
- (d) the Broker Options will be issued no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification to the Listing Rules);
- (e) the Broker Options will be issued for nil cash consideration and as partial consideration for lead manager services rendered to the Company by the Lead Manager relating to the Placement. In addition to the Broker Options, the Lead Manager will receive a fee of 6% (plus GST) of the funds raised under the Placement (equating to approximately \$159,000 (plus GST));
- (f) the purpose of the issue is in relation to the lead manager services provided by the Lead Manager in relation to the Placement. The issue of the Broker Options is not intended to remunerate or incentivise Mr Gordon or Mr Ahmad in their capacity as Non-Executive Directors of the Company;
- (g) the Broker Options are exercisable at \$0.036 each on or before the date that is 5 years from the date of issue and are otherwise issued on the terms set out in Schedule 1;
- (h) no funds will be raised from the issue of the Broker Options as they are being issued as partial consideration for lead manager services provided by the Lead Manager to the Company with respect to the Placement;
- (i) it is intended that the issue of the Broker Options will occur on the same date as the Placement Shares and Placement Options are issued under Tranche 2 of the Placement;
- (j) the Broker Options will be issued pursuant to the terms of the Mandate, the material terms of which are set out in section 4.1; and
- (k) a voting exclusion statement is included in the Notice.

5 Resolution 7 – Approval to issue Performance Rights to Directors

5.1 General

As announced on 1 July 2024, the Company engaged Mr Joshua Gordon and Mr Bilal Ahmad (together, the **Relevant Directors**) as Non-Executive Directors of the Company. In connection with their engagements, the Company agreed (subject to obtaining Shareholder approval) to issue up to a total of 8,000,000 Performance Rights to the Relevant Directors (or their respective nominees), as follows:

Director	Performance Rights
Mr Joshua Gordon	4,000,000
Mr Bilal Ahmad	4,000,000
Total	8,000,000

The Performance Rights will be issued under the terms of the Employee Securities Incentive Plan (**Plan**), which are summarised in Schedule 3.

Subject to the terms and conditions in Schedule 2, the Performance Rights will vest on the latter of the following occurring:

- (a) the Company achieving a 20 Trading Day VWAP of \$0.036 per Share; and
- (b) the Director serving as a Director on the Company's Board for more than 12 months.

Resolutions 7 and 8 seek Shareholder approval pursuant to Listing Rule 10.14 for the issue of up to a total of 8,000,000 Performance Rights under the Plan to the Relevant Directors, or their respective nominees.

Resolutions 7 and 8 are ordinary resolutions.

The Board (other than Mr Joshua Gordon who have a material personal interest in the outcome of the Resolution 7) recommends that Shareholders vote in favour of Resolutions 7.

The Board (other than Mr Bilal Ahmad who have a material personal interest in the outcome of the Resolution 8) recommends that Shareholders vote in favour of Resolutions 8.

5.2 Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, Equity Securities under an employee incentive scheme to:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2),
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

Mr Gordon and Mr Ahmad are Directors and therefore related parties of the Company. Accordingly, the proposed issue falls within Listing Rule 10.14.1 and therefore requires Shareholder approval under and for the purposes of Listing Rule 10.14.

If Resolutions 7 and 8 are passed, the Company will be able to proceed with the issue of the Performance Rights to the Relevant Directors (or their respective nominees) and the Relevant Directors will be remunerated accordingly.

If Resolutions 7 and 8 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Relevant Directors (or their respective nominees).

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rules 7.1 or 10.11 is not required.

5.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Performance Rights to the Relevant Directors:

- (a) the Performance Rights will be issued under the Plan to the Relevant Directors (or their respective nominees), each of whom is a Director;
- (b) each of the Relevant Directors falls into the category stipulated by Listing Rule 10.14.1. In the event that the Performance Rights are issued to nominee of the Relevant Directors, those persons will fall into the category stipulated by Listing Rule 10.14.2;
- (c) the maximum number of Performance Rights to be issued to the Relevant Directors (or their respective nominees) is 8,000,000 Performance Rights, in the proportions set out in section 5.1 above. The actual number of Performance Rights that vest is dependent on the achievement of the vesting conditions;

- (d) the current total remuneration package each Relevant Director is set out below:

Director	Position	Salary ¹	Share based payments ²	Total
Joshua Gordon	Non-Executive Director	\$50,000	Nil	\$50,000
Bilal Ahmad	Non-Executive Director	\$50,000	Nil	\$50,000

Notes:

- 1 These values are exclusive of statutory superannuation.
- 2 The share based payments do not take into account the Performance Rights being issued for the purposes of Resolutions 7 and 8.
- (e) the Relevant Directors have not previously received Securities under the Plan since it was approved by Shareholders at the 2022 annual general meeting held on 30 November 2022; the Performance Rights will be issued on the terms set out in Schedule 2;
- (f) the value that the Company attributes to each Performance Right is \$0.0169, giving the Performance Rights an aggregated value of \$135,200. The value attributed to each Performance Right to be issued to each Relevant Director is as follows:

Relevant Director	Total Value
Joshua Gordon	\$67,600
Bilal Ahmad	\$67,600

- (g) the valuation of the Performance Rights was provided by external consultants, Nexia Perth Corporate Finance Pty Ltd, and was based on the Parisian Barrier¹ Model. Full details of the valuation methodology are as follows:

Item	Value
Assumed Share price on grant	\$0.02 (as at the valuation date of 8 July 2024)
Exercise price	Nil
Share Price targets	Achieving a 20 day VWAP of \$0.036 per share
Days to vesting/expiry	1095 days (from valuation date of 8 July 2027)
Expected volatility	99%
Interest rate	4.04% per annum
Annualised dividend yield	Nil
Value of each Performance Right	\$0.0169

- (h) the Performance Rights will be issued no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification to the Listing Rules);
- (i) the Performance Rights will be issued for nil cash consideration as they will be issued as part of each Relevant Director's remuneration package and therefore no funds will be raised as a result of the issues;
- (j) the Performance Rights are being issued under the Engagement Letters. The material terms of the Engagement Letters are summarised below:

- (i) each Relevant Director is entitled to receive \$50,000 per annum (plus superannuation); and
- (ii) 4,000,000 Performance Rights each, as set out in section 5.1.

The other terms of the Engagement Letters are otherwise considered standard for agreements of this nature;

- (k) the Performance Rights are being issued as a cost effective and efficient reward for the Company to appropriately incentivise the continued performance of the Directors and is considered by the Board to be consistent with the strategic goals and targets of the Company;
- (l) a summary of the material terms of the Plan is detailed in Schedule 3;
- (m) no loan will be provided to the Directors in relation to the issue of the Performance Rights;
- (n) details of any Performance Rights issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing rule 10.14 who become entitled to participate in an issue of Performance Rights under the Plan after Resolutions 7 and 8 are approved and who were not named in this Notice will not participate until approval is obtained under that rule; and
- (o) a voting exclusion statement is included in the Notice.

5.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval 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 grant of the Performance Rights constitutes giving a financial benefit and the Relevant Directors are related parties of the Company by virtue of being Directors.

The Board (other than Mr Joshua Gordon who has a material personal interest in Resolution 7) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Performance Rights under Resolution 7 to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the Performance Rights was reached as part of the remuneration package for Mr Gordon, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

The Board (other than Mr Bilal Ahmad who has a material personal interest in Resolution 8) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Performance Rights under Resolution 8 due to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the Performance Rights was reached as part of the remuneration package for Mr Gordon, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

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

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

Board means the board of Directors.

Broker Options means 16,562,500 New Options issued to the Lead Manager on the terms and conditions set out in Schedule 1 which are the subject of Resolution 6.

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 person appointed to chair the Meeting of the Company convened by the Notice.

Company means Dalaroo Metals Ltd (ACN 648 476 699).

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

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

Director means a director of the Company.

Engagement Letters means the Director engagement letters between the Company and each Relevant Director, relating their engagement as Non-Executive Directors of the Company.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement which forms part of the Notice.

Key Management Personnel has the meaning given in the accounting standards issued by the Australian Accounting Standards Board. It includes 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, 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.

Lead Manager means PAC Partners Securities Pty Ltd (ACN 623 653 912).

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of general meeting.

Official List means the official list of ASX.

Option means an option to acquire a Share.

Performance Rights means up to 8,000,000 performance rights to be issued to the Relevant Directors on the terms and conditions set out in Schedule 2, which are the subject of Resolutions 7 and 8.

Placement Participants means the Tranche 1 Participants and Tranche 2 Participants, being professional and sophisticated investors selected by the Company in consultation with the Lead Manager, the lead manager to the Placement.

Placement Securities means Placement Shares and Placement Options.

Plan means the Company's Employee Securities Incentive Plan, the terms of which are set out in Schedule 3. The Plan was approved by Shareholders at the Company's 2022 annual general meeting held on 30 November 2022.

Proxy Form means the proxy form attached to or accompanying the Notice.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

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

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

Shareholder means the holder of a Share.

Trading Day has the meaning given in the Listing Rules.

VWAP means volume weighted average market price.

Schedule 1 – Terms of New Options

- 1 **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- 2 **(Issue Price):** No cash consideration is payable for the issue of the Options.
- 3 **(Exercise Price):** The Options have an exercise price of \$0.036 per Option (**Exercise Price**).
- 4 **(Expiry Date):** The Options expire at 5:00pm (AWST) 5 years after the grant date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- 5 **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- 6 **(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**).
- 7 **(Timing of issue of Shares on exercise):** Within 5 Business Days after the later of the following:
- (a) the Exercise Date; and
 - (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,
- the Company will:
- (c) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (e) 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.
- 8 **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 7(d), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
- 9 **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
- 10 **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
- 11 **(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.

- 12 **(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.
- 13 **(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):
- (a) 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
 - (b) no change will be made to the Exercise Price.
- 14 **(Transferability of the Options)**: The Options are not transferable, except with the prior written consent of the Company.
- 15 **(Quotation)**: The Options may be quoted by the Company, subject to meeting the minimum ASX quotation requirements.

Schedule 2 – Terms of the Performance Rights

1 **(Plan)**: The Company will issue the Performance Rights under the Plan. Terms not otherwise defined in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

2 **(Entitlement)**: Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion and upon satisfaction of the Milestone, to the issue of one Share.

3 **(Conditions)**: The Performance Rights have the following Milestones and Expiry Dates:

Number	Milestone	Expiry Date
8,000,000	The latter of the following occurring: <ul style="list-style-type: none">the Company achieving a 20 Trading Day VWAP of \$0.036 per Share; andthe Director serving as a Director on the Company's Board for more than 12 months.	3 years from their issue date

4 **(Vesting)**: Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant remaining an officeholder, or employed or engaged by the Company at the date of achievement of the relevant Milestone, the Performance Rights will vest on the date the relevant Milestone has been satisfied. The Company will notify the holder in writing (**Vesting Notice**) within a reasonable period of time of becoming aware that the Milestone has been satisfied.

5 **(Expiry)**: Each Performance Right will lapse upon the earlier to occur of:

- (a) the Milestone not being satisfied on or before the Expiry Date; or
- (b) the Performance Right lapsing and being forfeited under the Plan or these terms.

6 **(Conversion)**: Upon achievement of the relevant Milestone and receipt of a Vesting Notice, each Performance Right will, at the election of the holder, convert into one Share.

7 **(Shares issued on conversion)**: Shares issued on conversion of Performance Rights rank equally with the then Shares of the Company.

8 **(No cash consideration)**: The Performance Rights will be issued for nil consideration and no consideration will be payable upon the issue of Shares after conversion.

9 **(Quotation of Performance Rights)**: The Performance Rights will not be quoted.

10 **(Transferability)**: The Performance Rights are not transferrable, except with the prior written approval of the Company.

11 **(Timing of issue of Shares)**: Subject to the Milestone being achieved, within 15 Business Days after the later of the following:

- (a) the date the Company provides the holder with the Vesting Notice; and
- (b) when excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act) if any) ceases to be excluded information,

the Company will:

- (a) issue the Shares pursuant to the conversion of the Performance Rights;

- (b) give ASX a notice that complied with section 708A(5)(e) of the Corporations Act; and
 - (c) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing rules and subject to the expiry of any restriction period that applies to Shares under the Corporations Act or the Listing Rules.
- 12 **(Restriction on transfer of Shares):** If the Company is unable to deliver a notice or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing 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. Where a "cleansing prospectus" is required, any Shares issued on conversion of Performance Rights will be subject to a holding lock until such time as a prospectus is issued by the Company. The Company must issue the prospectus by no later than 60 days after the date of issue of the Shares, or such later date as is agreed with the Performance Right holder.
- 13 **(Quotation of Shares on conversion):** Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the conversion of the Performance Rights.
- 14 **(Dividend and voting rights):** The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
- 15 **(Participation in entitlements and bonus issues):** Holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- 16 **(No rights of return of capital):** The Performance Rights do not entitle the holder to return of capital, whether in a winding up, upon reduction of capital or otherwise.
- 17 **(Rights on winding up):** The Performance Rights do not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- 18 **(Leaver):** Where the holder of the Performance Rights (or the relevant Eligible Participant in the case of a Permitted Nominee) is no longer employed, or their office or engagement is discontinued with the Company's group, any unvested Performance Rights will automatically lapse and be forfeited by the holder, unless the Board otherwise determines in its discretion in accordance with the Plan.
- 19 **(Change of control):** If prior to the earlier of the conversion of Performance Rights or the Expiry Date a Control Event occurs then each Performance Right will automatically vest, regardless of whether the Milestones have been satisfied.

For the purposes of these terms, a Control Event occurs if:

- (a) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
- (b) a Takeover Bid, (as defined in the Corporations Act):
 - (i) has become unconditional; and
 - (ii) the person making the Takeover Bid has a Relevant Interest (as defined in the Corporations Act) in 50% or more of the issued Share; or
- (c) any person acquires a Relevant Interest in 50.1% or more of the issued Shares by any other means.

Schedule 3 – Summary of Employee Securities Incentive Plan

- 1 **(Purpose of Plan):** The purpose of the Plan is to:
- (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Related Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Awards (being securities exercisable for Shares, including options and performance rights).
- 2 **(Eligibility to participate):** An Eligible Participant means a person that:
- (a) is a "primary participant" (as defined in section 1100L(1)(a) Corporations Act or any amendment or replacement thereof) in relation to the Company or a Related Body Corporate; and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
- 3 **(Permitted Nominees):** If an Eligible Participant is permitted in the Offer, they may, by written notice to the Board, nominate a Permitted Nominee in whose favour the Eligible Participant wishes to renounce the Offer.
- A "Permitted Nominee" is defined as a "related person" of an Eligible Participant (section 1100L(b) of the Corporations Act) or a trustee(s) of a trust set up solely for the benefit of the Eligible Participant and/or a "related person".
- 4 **(Administration of Plan):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its absolute discretion. The Board may delegate its powers and discretion.
- 5 **(Offers of Awards):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an offer to that Eligible Participant to apply for Options or Performance Rights (**Awards**).
- 6 **(Applications for Awards):** An Eligible Participant who wishes to apply to participate in the Plan in response to an Offer must provide a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the Offer, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation in order for that nominee to be granted the Awards the subject of the Offer.
- 7 **(Grant of Awards):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Awards, subject to the terms and conditions set out in the Offer, the Plan rules and any ancillary documentation required.
- 8 **(Terms of Awards):** Each 'Award' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to an Award being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Award by virtue of holding the Award.
- 9 **(Vesting of Awards):** Any vesting conditions applicable to the grant of Awards will be described in the Offer. If all the vesting conditions are satisfied and / or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Awards have vested. Unless and until the vesting notice is issued by the Company, the Awards will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to an Award are not satisfied and / or otherwise waived by the Board, that Award will lapse.

10 **(Delivery of Shares on exercise of Awards):** As soon as practicable after the valid exercise of an Award by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Awards held by that Participant.

11 **(Exercise of Awards and cashless exercise):** In the case of an Award which is an Option, to exercise an Award, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Awards (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. In the case of an Award which is a Performance Right, following the issue of a Vesting Notice, a vested Performance Right will automatically be exercised within the period specified by the Board in the relevant Offer.

The Participant may elect not to be required to provide payment of the exercise price for the number of Awards specified in a notice of exercise, but that on exercise of those Awards the Company will transfer or issue to the Participant that number of Shares as are equal in value to the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = A \times \frac{(MSP - EP)}{MSP}$$

Where:

- (a) **S** = Number of Shares to be issued on exercise of the Awards;
- (b) **A** = Number of Awards;
- (c) **MSP** = Market value of Shares (calculated using the volume weighted average price (as that term is defined in the ASX Listing Rules) at which Shares were traded on the ASX during the 5 Trading Day-period immediately preceding the exercise date); and
- (d) **EP** = Exercise Price.

If the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (calculated in accordance with the formula above) is zero or negative, then a holder will not be entitled to use the Cashless Exercise Facility.

12 **(Restrictions on Dealing):** A Participant may not sell, transfer, assign, grant a security interest over, option, swap, alienate or otherwise deal with an Award that has been granted to them.

The Board may impose a restriction on dealing with Shares allocated on exercise or vesting of an Award. The Board may implement any procedure it considers appropriate to ensure the compliance by the Participant with this restriction, including the imposition of a holding lock or requiring that Shares be held in trust on behalf of the Participant.

13 **(Forfeiture of Awards):** Where a Participant who holds Awards ceases to be an Eligible Participant or becomes insolvent, all unvested Awards will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Awards to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Awards held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Awards which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (b) any Awards which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- 14 **(Change of control)**: If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its absolute discretion determine that:
- (a) all or a specified number of a Participant's unvested Awards are deemed to have vested;
 - (b) all or specified number of a Participant's Options may be exercised for a period specified by the Board, and if not exercised within that period, will lapse;
 - (c) the Dealing Restrictions or any other terms which apply to the Award cease to apply; and / or
 - (d) the Dealing Restrictions which apply to Shares allocated on the vesting of or exercise of an Award (as applicable) cease to apply.
- 15 **(Rights)**: All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of an Award, will rank equally in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares.
- 16 **(Adjustment for capital reconstructions)**: If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Awards will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Awards is entitled, upon exercise of the Awards, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Awards are exercised. Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
- 17 **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Awards and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Awards without exercising the Awards.
- 18 **(Amendment of Plan)**: Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including the terms upon which any Awards have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.
- No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
- 19 **(Term of Plan)**: The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

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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 Saturday, 17 August 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://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.



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