
RED MOUNTAIN MINING LIMITED
ACN 119 568 106
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00am (WST)
DATE: 30 September 2024
PLACE: Unit 1/38 Colin Street
West Perth WA 6005

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 11:00am (WST) on 28 September 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

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 300,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A

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 100,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

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

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue 400,000,000 Options on the terms and conditions set out in the Explanatory Statement."

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

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF LEAD MANAGER OPTIONS

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 100,000,000 Options on the terms and conditions set out in the Explanatory Statement."

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

5. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY - LINCOLN LIU

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 10.11 and for all other purposes, approval is given for the Company to issue 30,000,000 Options to Lincoln Liu (or his nominee) 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.

6. RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY – MAURO PICCINI

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 10.11 and for all other purposes, approval is given for the Company to issue 15,000,000 Options to Mauro Piccini (or his nominee) 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.

7. RESOLUTION 7 – CONSOLIDATION OF CAPITAL

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

"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

- (a) every 10 Shares be consolidated into 1 Share;*
- (b) every 10 Options be consolidated into 1 Option; and*
- (c) every 10 Performance Rights be consolidated into 1 Performance Right (subject to rounding),*

and, where this Consolidation results in a fraction of a Security being held, the Company be authorised to round fractional entitlements of 0.5 and over will be rounded up to the nearest whole number."

Voting Prohibition Statements

Resolution 5 – Issue of Options to Related Party - Lincoln Liu	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolution 6 – Issue of Options to Related Party - Mauro Piccini	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

Voting Exclusion Statements

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

Resolutions 1 and 2 – Ratification of prior issue of Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement participants) or an associate of that person or those persons.
Resolution 3 – Approval to issue Placement Options	A 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 holder of ordinary securities in the Company) (namely the Placement participants) or an associate of that person (or those persons).
Resolution 4 – Ratification of prior issue of Lead Manager Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely Xcel Capital) or an associate of that person or those persons.
Resolution 5 – Issue of Options to Related Party - Lincoln Liu	Lincoln Liu (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.
Resolution 6 – Issue of Options to Related Party - Mauro Piccini	Mauro Piccini (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, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6559 1792.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 TO 4

1.1 Placement

As announced on 5 August 2024, the Company received firm commitments from sophisticated and professional investors to issue up to 400,000,000 Shares at an issue price of \$0.001 per Share (**Placement Shares**) to raise a total of \$400,000 (before expenses), together with one (1) free attaching option (**Placement Option**) for every one Placement Share applied for and issued, exercisable at \$0.002 each on or before 10 May 2027 (**Placement**).

On 13 August 2024, the Company issued the Placement Shares as follows:

- (a) 300,000,000 Placement Shares pursuant to the Company's placement capacity under Listing Rule 7.1 (the subject of Resolution 1); and
- (b) 100,000,000 Placement Shares pursuant to the Company's placement capacity under Listing Rule 7.1A (the subject of Resolution 2).

The Company seeks Shareholder approval pursuant to Resolution 3 to issue the Placement Options to the participants to the Placement.

Funds raised from the Placement will be used primarily for exploration of the Company's Fry Lake Gold Project. In addition, some funds will be directed towards exploration on the Company's existing asset portfolio, review of potential new ventures and for working capital purposes.

Further details in respect of the Placement are set out in the announcement released on 5 August 2024.

1.2 Lead Manager

The Company appointed Xcel Capital Pty Ltd as lead manager to the Placement (**Xcel Capital**). Pursuant to a lead manager mandate (**Mandate**), the Company has agreed to pay / issue Xcel Capital:

- (a) a 6% fee on all funds raised under the Placement;
- (b) a \$10,000 management fee; and
- (c) 100,000,000 Options on the same terms as the Placement Options (**Lead Manager Options**).

The Company is seeking Shareholder ratification for the issue of the Lead Manager Options pursuant to Resolution 4.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES - LISTING RULES 7.1 AND 7.1A

2.1 General

On 13 August 2024, the Company issued 400,000,000 Placement Shares.

300,000,000 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 100,000,000 Shares were issued pursuant to the Company's 7.1A mandate (being, the subject of Resolution 2) which was approved by Shareholders at the annual general meeting held on 8 November 2023.

The issue of the Placement Shares did not breach Listing Rule 7.1 at the time of the issue.

2.2 Listing Rules 7.1 and 7.1A

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

Under Listing Rule 7.1A however, 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 Company obtained approval to increase its limit to 25% at the annual general meeting held on 8 November 2023.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

2.3 Listing Rule 7.4

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 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 Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A,

effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 1 and 2 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

2.5 Technical 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 Resolutions 1 and 2:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Xcel Capital. The recipients were identified through a bookbuild process, which involved Xcel Capital 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:
 - (i) 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; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 400,000,000 Placement Shares were issued on the following basis:
 - (i) 300,000,000 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 100,000,000 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued on 13 August 2024;
- (f) the issue price was \$0.001 per Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares and intended use of funds is set out in Section 1.1; and
- (h) the Placement Shares were not issued under an agreement.

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

3.1 General

As set out in Section 1.1, the Company is proposing to issue one (1) free attaching Option for every one (1) Share subscribed for and issued under the Placement.

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval 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.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Options.

3.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Placement Options will be issued to professional and sophisticated investors who are clients of Xcel Capital. The recipients will be identified through a bookbuild process, which will involve Xcel Capital seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) 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; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number Placement Options to be issued is 400,000,000;
- (d) the Placement Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Placement Options will be issued no later than 3 months 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 intended that issue of the Placement Options will occur on the same date;

- (f) the issue price will be nil per Placement Option as the Placement Options will be issued free attaching with the Placement Shares on a 1:1 basis. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options);
- (g) the purpose of the issue of the Placement Options is to incentivise the participants to the Placement;
- (h) the Placement Options are not being issued under an agreement; and
- (i) the Placement Options are not being issued under, or to fund, a reverse takeover.

3.4 Dilution

Assuming no Options are exercised, no convertible securities are converted or other Shares issued, in the event all the Options issued pursuant to this Resolution were exercised the number of Shares on issue would increase from 3,873,577,312 (being the number of Shares on issue as at the date of this Notice) to 4,273,577,312 and the shareholding of existing Shareholders would be diluted by 9.36%.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF LEAD MANAGER OPTIONS

4.1 General

As set out in Section 1.2 above, on 13 August 2024, the Company issued 100,000,000 Lead Manager Options, pursuant to the Company's capacity under Listing Rule 7.1.

The issue of the Lead Manager Options did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month 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 Company obtained approval to increase its limit to 25% at the annual general meeting held on 8 November 2023.

The issue of the Lead Manager Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Lead Manager Options.

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 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 Lead Manager Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Lead Manager Options.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Lead Manager Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Lead Manager Options.

If Resolution 4 is not passed, the Lead Manager Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Lead Manager Options.

4.3 Technical 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 Resolution 4:

- (a) the Lead Manager Options were issued to Xcel Capital;
- (b) 100,000,000 Lead Manager Options were issued and the Lead Manager Options were issued on the terms and conditions set out in Schedule 1;
- (c) the Lead Manager Options were issued on 13 August 2024;
- (d) the Lead Manager Options were issued at a nil issue price, in consideration for lead manager services provided by Xcel Capital. The Company has not and will not receive any other consideration for the issue of the Lead Manager Options (other than in respect of funds received on exercise of the Lead Manager Options);
- (e) the purpose of the issue of the Lead Manager Options was to satisfy the Company's obligations under the Mandate; and
- (f) the Lead Manager Options were issued to Xcel Capital under the Mandate. A summary of the material terms of the Mandate is set out in Schedule 2.

5. RESOLUTIONS 5 AND 6 – ISSUE OF OPTIONS TO RELATED PARTIES

5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 45,000,000 Options to Lincoln Liu and Mauro Piccini (or their nominees) (**Related Parties**) on the terms and conditions set out below.

Resolutions 5 and 6 seek Shareholder approval for the issue of the Options to the Related Parties (or their nominees).

5.2 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 issue of Options to the Related Parties (or their nominees) constitutes giving a financial benefit and Messrs Liu and Piccini are a related parties of the Company by virtue of being Directors.

The Directors (other than Messrs Liu and Piccini who have a material personal interest in Resolutions 5 and 6, respectively) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to issue the Options, reached as part of the remuneration package for Messrs Liu and Piccini, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.3 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:

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

issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options 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 5 and 6 seek the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

5.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties 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). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Options.

Resolutions 5 and 6 are independent of one another.

5.5 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 5 and 6:

- (a) the Options will be issued to the following persons:
 - (i) Lincoln Liu (or his nominee) pursuant to Resolution 5; and
 - (ii) Mauro Piccini (or his nominee) pursuant to Resolution 6,each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 45,000,000 comprising:
 - (i) 30,000,000 Options to Lincoln Liu (or his nominee) pursuant to Resolution 5; and
 - (ii) 15,000,000 Options to Mauro Piccini (or his nominee) pursuant to Resolution 6;
- (c) the terms and conditions of the Options are set out in Schedule 1;
- (d) the 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) and it is intended that issue of the Options will occur on the same date;

- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward their performance as Directors and to provide cost effective remuneration to the Related Parties, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (g) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Previous Financial Year Ended 30 June 2024	Current Financial Year Ending 30 June 2025
Lincoln Liu ¹	Nil	175,675 ²
Mauro Piccini ³	Nil	74,400 ⁴

Notes:

- 1. Appointed as a Director on 15 August 2024.
- 2. Comprising salary of \$145,000, a superannuation payment of \$16,675 and share-based payments of \$14,000 (, being the value of the Options).
- 3. Appointed as a Director on 27 June 2024.
- 4. Comprising Directors' fees of \$60,000, a superannuation payment of \$6,900 and share-based payments of \$7,500 (being the value of the Options).
- (h) the Options are not being issued under an agreement; and
- (i) a voting exclusion statement is included in Resolutions 5 and 6 of the Notice.

6. RESOLUTION 7 – CONSOLIDATION OF CAPITAL

6.1 Background

Resolution 7 seeks Shareholder approval to consolidate the Company's issued capital on the basis that:

- (a) every 10 Shares be consolidated into 1 Share (subject to rounding);
- (b) every 10 Options be consolidated into 1 Option (subject to rounding); and
- (c) every 10 Performance Rights be consolidated into 1 Performance Right (subject to rounding),

(Consolidation).

6.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

6.3 Fractional entitlements

Not all security holders will hold that number of Securities which can be evenly divided by 10. Fractional entitlements of 0.5 and over will be rounded up.

6.4 Taxation

It is not considered that any taxation implications will exist for security holders arising from the Consolidation. However, security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

6.5 Holding statements

From the date two Business Days after the Effective Date (as set out in the timetable in Section 6.7 below), all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

6.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

	Shares	Listed Options ¹	Unlisted Options ¹	Performance Rights
Pre-Consolidation	3,873,577,312	1,033,863,093	125,224,606	205,128,206
Post Consolidation (Resolution 7) ²	387,357,731	103,386,309	12,522,461	20,512,821
Securities to be issued subject to Shareholder approval pursuant to Resolutions 3, 5 and 6	-	44,500,000	-	-
Completion of all Resolutions²	387,357,731	147,886,309	12,522,461	20,512,821

Notes:

1. The terms of these Options are set out in the table below.
2. Subject to rounding.

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – pre-Consolidation

Terms	Number
Listed Options exercisable at \$0.008 each on or before 14 September 2026	248,862,500
Listed Options exercisable at \$0.002 each on or before 10 May 2027	785,000,593
Unlisted Options exercisable at \$0.015 each on or before 4 February 2025	65,224,606
Unlisted Options exercisable at \$0.011 each on or before 2 December 2025	60,000,000
Total	1,159,087,699

Options – post-Consolidation

Terms	Number
Listed Options exercisable at \$0.08 each on or before 14 September 2026	24,886,250
Listed Options exercisable at \$0.02 each on or before 10 May 2027 ¹	78,500,059
Unlisted Options exercisable at \$0.15 each on or before 4 February 2025	6,522,461
Unlisted Options exercisable at \$0.11 each on or before 2 December 2025	6,000,000
Total	115,908,770

Notes:

1. Comprising 78,500,059 listed Options on issue, 40,000,000 listed Options the subject of Resolution 3 and 4,500,000 listed Options the subject of Resolutions 5 and 6, all on a post-Consolidation basis.

6.7 Indicative timetable*

If Resolution 7 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules):

Action	Date
Company announces Consolidation.	30 August 2024
Company sends out the Notice of Meeting	30 August 2024
Shareholders pass Resolution 7 to approve the Consolidation.	30 September 2024
Company announces Effective Date of Consolidation.	30 September 2024
Effective Date of Consolidation	30 September 2024
Last day for pre-Consolidation trading.	1 October 2024
Post-Consolidation trading commences on a deferred settlement basis.	2 October 2024
Record Date.	3 October 2024
Last day for the Company to register transfers on a pre-Consolidation basis.	3 October 2024
First day for the Company to update its register and send holding statements to security holders reflecting the change in the number of Securities they hold.	4 October 2024
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold and to notify ASX that this has occurred.	10 October 2024

GLOSSARY

\$ 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.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Red Mountain Mining Limited (ACN 119 568 106).

Consolidation has the meaning given in Section 6.1.

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.

Lead Manager Options has the meaning given in Section 1.2.

Listing Rules means the Listing Rules of ASX.

Mandate has the meaning given in Section 1.2.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement has the meaning given in Section 1.1.

Placement Options has the meaning given in Section 1.1.

Placement Shares has the meaning given in Section 1.1.

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.

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

Xcel Capital means Xcel Capital Pty Ltd.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(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 \$0.002 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 10 May 2027 (**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 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.

(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 five 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) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **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.

(k) **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.

(l) **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.

(m) **Transferability**

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

SCHEDULE 2 – TERMS AND CONDITIONS OF MANDATE

A summary of the key terms and conditions of the Mandate are set out below.

Fees	<p>In consideration for the services, the Company agreed to pay / issue Xcel Capital:</p> <ul style="list-style-type: none"> (a) a 6% fee on all funds raised under the Placement; (b) a \$10,000 management fee; and (c) 100,000,000 Lead Manager Options.
Expenses	<p>The Company agreed to reimburse Xcel Capital for out-of-pocket expenses incurred in its role as lead manager, with expenses over \$5,000 requiring the prior written approval of the Company.</p>
Right of First Refusal	<p>The Company agreed to offer Xcel Capital the right of first refusal to act as lead manager in any further equity capital raisings undertaken in connection with the Company within 18 months of completion of the Placement.</p>
Termination	<ul style="list-style-type: none"> (a) Xcel Capital may terminate the Mandate if the Company breaches the Mandate and fails to remedy such breach within 14 days of being provided written notice of the breach. (b) The Company may terminate the Mandate: <ul style="list-style-type: none"> (i) at any time as a result of gross negligence, wilful misconduct or fraud by Xcel Capital; or (ii) if the Company considers that Xcel Capital is unable or unwilling to perform the services under the Mandate and fails to remedy such issues within 14 business days of receiving notification as such.

Your proxy voting instruction must be received by **11.00am (AWST) on Saturday, 28 September 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.



BY MAIL:

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IN PERSON:

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Sydney NSW 2000

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BY FACSIMILE:

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