



Hawsons IRON

WORLD'S BEST IRON ORE PRODUCT

Hawsons Iron: Notice of Annual General Meeting

Hawsons Iron Ltd (ASX: **HIO**) will be holding its 2022 Annual General Meeting at 10.00am (AEST) on Tuesday, 15 November 2022 (Meeting) at Level 10, 12 Creek Street, Brisbane.

The Meeting will also be held as a virtual meeting.

Attached are copies of the following documents in relation to the Meeting:

- Chairman's Letter to shareholders (which includes details of the arrangements in relation to the meeting);
- Notice of Annual General Meeting 2022;
- Proxy Form;
- Questions from Shareholders Form;
- Update shareholder Electronic Communication Form (Recommended); and
- AGM Online Guide.

Released by authority of the Board

Hawsons Iron Limited
14 October 2022

14 October 2022

Dear Hawsons Shareholders

On behalf of the Board of Hawsons Iron Limited (the **Company**), it is my pleasure to invite you to the Company's Annual General Meeting (AGM) at 10am on Tuesday 15 November 2022 at Level 10, 12 Creek Street, Brisbane.

We are delighted to welcome shareholders to physically attend the meeting or participate in the meeting virtually through an online platform at <https://meetings.linkgroup.com/HIO22> and voting by proxy.

To accommodate attendees and manage appropriate social distancing, we ask shareholders to register their interest in attending in person by emailing the Company Secretary at info@hawsons.com.au no later than Tuesday 25 October 2022.

Shareholders are also invited to submit questions in advance of the meeting by email to the Company Secretary at info@hawsons.com.au by no later than 5:00PM (AEST) on Tuesday, 08 November 2022.

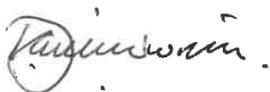
Further information on how to participate in the meeting virtually is set out in the user guide supplied with the Notice of Meeting. The virtual meeting allows shareholders to hear and view the meeting on their own computer and ask questions as if shareholders were able to be physically present at the Meeting. All AGM documents including the Notice of Meeting are available online at the Company's website at <https://hawsons.com.au/>.

Shareholders can vote by proxy by completing the enclosed Proxy Form and returning it in person, by fax or in the envelope provided or by voting online. Instructions on how to appoint a proxy are detailed on the Proxy Form. Proxies must be received no later than 10:00AM on Sunday, 13 November 2022 to be valid for the meeting.

We would also encourage shareholders to update their email address with Link Market Services utilising the form herein, to ensure you receive electronic company communications to your email.

The Company has markedly advanced and achieved key milestones over the past 12 months in pursuit of our goal to complete the Hawsons Iron Project's Bankable Feasibility Study (BFS) and develop this truly world-class resource. On behalf of your Directors, I would like to thank you for your continued support of the Company.

Kind regards



Dave Woodall
Chairman



HAWSONS IRON LIMITED

ACN 095 117 981

NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY MEMORANDUM

Day and Date of Meeting: Tuesday, 15 November 2022

Time of meeting: 10:00AM (Brisbane time)

Place of Meeting: BDO Offices, Level 10, 12 Creek Street, Brisbane QLD 4000

The business of the Annual General Meeting concerns your shareholding, and your vote is important.

The Notice of General Meeting (together with the Explanatory Memorandum) and Proxy Form should each 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.

In accordance with section s 253Q of the *Corporations Act 2001* (Cth) and rule 13.7 of the Constitution, the Company is permitted to hold a hybrid meeting for online participants and in person participants. Accordingly in addition to attending the Meeting in person, Shareholders will be offered the opportunity to participate at the Meeting virtually through an online platform at <https://meetings.linkgroup.com/HIO22>.

Shareholders are strongly urged to vote by lodging the Proxy Form attached to the Notice or register in person attendance by no later than 10:00AM (Brisbane Time) on Sunday, 13 November 2022.

14 October 2022

HAWSONS IRON LIMITED

ACN 095 117 981

NOTICE OF ANNUAL GENERAL MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

Notice is hereby given that the annual general meeting of Shareholders of Hawsons Iron Limited ACN 095 117 981 (**Company**) will be held on Tuesday, 15 November 2022 at 10:00AM (Brisbane Time) (**Meeting**).

The Company is pleased to provide Shareholders with the opportunity to participate in the Meeting:

- (a) in person at BDO Office, Level 10, 12 Creek Street, Brisbane Queensland 4000; or
- (b) virtually through an online platform at <https://meetings.linkgroup.com/HIO22>.

Further information on how to participate in the Meeting online is set out in the Explanatory Memorandum attached to this Notice of Meeting (this **Notice**).

An Explanatory Memorandum and Proxy Form accompany this Notice and provide additional information on the Resolutions to be considered at the Meeting. The Explanatory Memorandum and Proxy Form each form part of this Notice and should be read in conjunction with it.

Capitalised terms used in this Notice are defined in Schedule 1 (the **Definitions**).

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 as Shareholders of the Company on Sunday, 13 November 2022 at 10:00AM (Brisbane Time).

You are encouraged to complete, sign and deliver the accompanying Proxy Form (if attending online) and return it in accordance with the instructions set out herein.

AGENDA

ORDINARY BUSINESS

Financial Statements and Directors' Report

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2022.

See Explanatory Memorandum for further information.

Resolution 1 – Adoption of Remuneration Report

To consider and if thought fit, to pass, the following as an **Ordinary Resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes the remuneration report for the year ended 30 June 2022 (as set out in the Directors' Report) be adopted."

The vote on **Resolution 1** is advisory only and does not bind the Company or the Directors. The Company's Annual Report 2022 which contains the Remuneration Report is available at <https://hawsons.com.au/annual-report-2022-powering-the-green-steel-revolution-21-september-2022/>.

See Explanatory Memorandum for further information.

VOTING RESTRICTION PURSUANT TO SECTION 250R(4) OF THE CORPORATIONS ACT

In accordance with the Corporations Act, the Company will disregard any vote cast (in any capacity) on Resolution 1 by, or on behalf of:

- a member of the KMP as disclosed in the 2022 remuneration report; and
- a Closely Related Party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person described above as a proxy for a person who is entitled to vote on the resolution and:

- the proxy appointment is in writing that specifies the way the proxy is to vote, and the person casts the vote as proxy in accordance with the directions as set out in the proxy form; or
- the vote is cast by the Chairman of the Meeting pursuant to an express authorisation on the proxy form to vote as the proxy decides, and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

VOTING INTENTION OF CHAIRMAN

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act.

Resolution 2 – Appointment of Tony McGrady as Director

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That Tony McGrady be appointed as a director of the Company according to Rule 3.4 of the Company’s Constitution.”

See Explanatory Memorandum for further information.

Resolution 3 – Appointment of David Woodall as Director

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That David Woodall be appointed as a Director of the Company according to Rule 3.4 of the Company’s Constitution.”

See Explanatory Memorandum for further information.

Resolution 4 – Re-Election of Paul Cholakos as a Director

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That in accordance with Rule 3.6 of the Company’s Constitution, Mr Paul Cholakos who retires and being eligible offering himself for election, be re-elected as a director of the Company.”

See Explanatory Memorandum for further information.

Resolution 5 – Ratification of the Issue of 71,500,000 Options to LDA Capital

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That in accordance with the provisions of Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue by the Company to LDA Capital of a total of 71,500,000 unlisted Options under Listing Rule 7.1, issued on the terms and conditions set out in the accompanying Explanatory Statement.”

See Explanatory Memorandum for further information.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution 5 by or on behalf of LDA Capital or its Associates.

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

- 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; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the Chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- 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
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 – Ratification of the Issue of 17,515,000 Shares to LDA Capital

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That in accordance with the provisions of Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue by the Company to LDA Capital of a total of 17,515,000 Shares under Listing Rule 7.1, issued on the terms and conditions set out in the accompanying Explanatory Statement.”

See Explanatory Memorandum for further information.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution 6 by or on behalf of LDA Capital or its Associates.

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

- 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; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the Chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7 – Approval of Grant of Options to David Woodall

To consider and, if thought fit, to pass the following as an **Ordinary Resolution**:

“That for the purpose of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 5,000,000 Options to Mr David Woodall (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

See Explanatory Memorandum for further information.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution 7 by or on behalf of:

- David Woodall; or
- an Associate of him.

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

- 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; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8 – Approval of Grant of Options to Tony McGrady

To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

“That for the purpose of ASX Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 5,000,000 Options to Mr Tony McGrady (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

See Explanatory Memorandum for further information.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution 8 by or on behalf of:

- Tony McGrady; or
- an Associate of him.

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

- 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; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9 – Approval to issue Shares to LDA LLC for a total consideration of \$2,000,000 under the Put Option Agreement

To consider and, if thought fit, to pass the following 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 Shares worth \$2,000,000 as a commitment fee to LDA LLC or one or more of its nominees on or before 21 December 2022, and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of meeting.”

See Explanatory Memorandum for further information.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- LDA LLC in its capacity as the selling shareholder;
- any person who will obtain a material benefit as a result of the issue proposed by Resolution 9 if it is passed; and
- any Associate of LDA LLC.

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

- 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; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

SPECIAL BUSINESS

Resolution 10 – Approval of Selective Buy-Back of 7,485,000 Shares

To consider and, if thought fit, to pass, the following as a **Special Resolution**:

“That, for the purposes of section 257D of the Corporations Act and for all other purposes, approval is given for the Company to selectively buy-back and cancel 7,485,000 Shares held by LDA Capital for consideration of \$1 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

See Explanatory Memorandum for further information.

VOTING EXCLUSION STATEMENT

In accordance with section 257D(1)(a) of the Corporations Act, the Company will disregard any votes cast on this Resolution by:

- LDA Capital in its capacity as the selling shareholder; and
- any Associate of LDA Capital.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 11 – Approval to Amend the Constitution

To consider and, if thought fit, to pass, the following as a **Special Resolution**:

“That, for the purposes of section 136 of the Corporations Act and for all other purposes, the Constitution of the Company be amended as set out in the Explanatory Memorandum, effective immediately.”

See Explanatory Memorandum for further information.

Resolution 12 – Approval of Additional Placement Capacity Under ASX Listing Rule 7.1A

To consider and, if thought fit, to pass, the following as a **Special Resolution**:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Securities totalling up to 10% of its issued ordinary Shares of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

See Explanatory Memorandum for further information.

GENERAL BUSINESS

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

BY ORDER OF THE BOARD

Greg Khan
Company Secretary
Hawsons Iron Limited

Dated: 14 October 2022

HAWSONS IRON LIMITED

ACN 095 117 981

EXPLANATORY MEMORANDUM

Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 10:00AM (Brisbane Time) on Tuesday, 15 November 2022.

The purpose of the Explanatory Memorandum is to provide Shareholders with sufficient information known to the Company to assess the merits of the Resolutions set out in this Notice.

This Explanatory Memorandum and Proxy Form, form part of the Notice and should be read in conjunction with it.

Capitalised terms used in this Explanatory Memorandum have the meaning given to them in Schedule 1 - Definitions.

Action To Be Taken By Shareholders

Shareholders should read the Notice, including the Explanatory Memorandum, carefully before deciding how to vote on the Resolutions.

(a) Voting on the Resolutions

Shareholders will have the option of voting in person or by proxy. Shareholders who choose to vote by proxy must ensure that their proxies are received by the Company by no later than 10.00AM (Brisbane Time) on Sunday, 13 November 2022.

Voting on the Resolutions at the Meeting will be conducted by poll. Further details of the poll will be provided at the Meeting.

(b) Proxies

To vote by proxy, either:

- (i) vote online at <https://meetings.linkgroup.com/HIO22>; or
- (ii) please complete and sign the Proxy Form enclosed and either:
 - (A) deliver the Proxy Form by post to Link Market Services Limited at Locked Mail Bag A14, Sydney South New South Wales 1235, Australia; or
 - (B) fax the form to Link Market Services Limited on facsimile number +61 2 9287 0309,

so that it is received not later than 10:00AM (Brisbane Time) on Sunday, 13 November 2022. Proxy Forms received later than this time will be invalid.

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

- (i) each member has a right to appoint a proxy;
- (ii) the proxy need not be a member of the Company; and

- (iii) a member who is entitled to cast 2 or more votes may appoint 2 proxies (but not more) and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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.

Certain categories of persons (including Directors and the Chairman) are prohibited from voting on Resolutions in relation to the remuneration of KMP, including as a proxy in some circumstances. If you are appointing a proxy, to ensure that your vote counts, please read the instructions on the Proxy Form carefully.

The details of the Resolutions contained in the Explanatory Statement accompanying this Notice should be read together with, and form part of, this Notice.

On a poll, ordinary Shareholders have one vote for each Share held.

A proxy may be either an individual or a body corporate. If you wish to appoint a body corporate as your proxy, you must specify on the Proxy Form:

- (i) the full name of the body corporate appointed as proxy; and
 - (ii) the full name or title of the individual representative of the body corporate to attend the Meeting.
- (c) Proxy appointments in favour of the Chair, the secretary or any Director that does not contain a direction on how to vote will be voted by the Chair in favour of each of the Resolutions proposed in this Notice. You should note that if you appoint the Chair as your proxy, or if the Chair is appointed as your proxy by default, you will be taken to authorise the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.
 - (d) Proxy Forms must be signed by a Shareholder or the Shareholder's representative or, if a corporation, executed under seal or in accordance with section 127 of the Corporations Act, or signed by an authorised officer or agent.
 - (e) A Proxy Form is attached. To be used to validly appoint a proxy, it should be completed, signed and returned to the address set out above in section.

(f) **Voting by Corporate Representative**

A body corporate that is a Shareholder, or that has been appointed as a proxy, may appoint an individual to act as its representative at the AGM. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the AGM evidence of appointment, including any authority under which it is signed, unless it has previously been given to the Company.

(g) **Voting by Attorney**

A Shareholder may appoint an attorney to vote on their behalf. For an appointment to be effective for the AGM, the instrument effecting the appointment (or a certified copy of it) must be received by the Company no later than 10 am on Sunday, 13 November 2022.

(h) **Virtual participation**

In accordance with section 253Q of the Corporations Act, the Chair has determined that Shareholders will have the opportunity to participate in the Meeting through an online platform.

Shareholders who wish to participate in the Meeting online may do so:

- (i) from their computer, by entering the URL in their browser: <https://meetings.linkgroup.com/HIO22>; or
- (ii) from their mobile device by either entering the URL, <https://meetings.linkgroup.com/HIO22>, in their browser.

If you choose to participate in the Meeting online, you can log in to the Meeting by entering:

- (i) your username is your Link Market internal reference number, which is located on your Proxy Form; and
- (ii) your password, which is the postcode registered to your holding if you are an Australian Shareholder. Overseas Shareholders will need to enter their country of their registered holding address.

(i) **Enquiries**

Shareholders are invited to contact the Company Secretary, Greg Khan on 07 3220 2022 if they have any queries in respect of the matters set out in these documents.

(j) **Voting on special resolutions**

The term “Special Resolution” as used in the Notice and this Explanatory Memorandum, takes its meaning from the Corporations Act. Under the Corporations Act, for a resolution to be a special resolution:

- (i) the notice of meeting proposing the resolution must state both the intention to propose the resolution as a special resolution and the terms of the resolution (see Resolutions 9, 10 and 11); and
- (ii) it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Financial Statements And Directors’ Report

The Corporations Act requires the reports of the Directors and the auditor of the Company and the annual financial report, including the financial statements, to be put before the Meeting. The Corporations Act does not require a vote of Shareholders at the Meeting on the reports or statements. However, Shareholders will be given an opportunity to raise questions on the reports and statements for the year ended 30 June 2022 at the Meeting.

Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is set out in the Directors’ Report in the Company’s 2022 Annual Report. The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company.

Section 249L(2) of the Corporations Act requires the Company to inform Shareholders that a Resolution on the Remuneration Report will be put at the Meeting. Section 250R(2) of the Corporations Act requires that the Resolution that the Remuneration Report be adopted must be put to the vote. Resolution 1 seeks this approval.

However, in accordance with section 250R(3) of the Corporations Act, Shareholders should note that Resolution 1 is an “advisory only” Resolution, which does not bind the Directors or the Company. If

Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Nevertheless, under the Corporations Act, a 'two strikes and re-election' process in relation to the Shareholders' vote on Resolution 1 is required and provides that:

- A 'first strike' will occur if this Remuneration Report Resolution (Resolution 1) receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report must contain either an explanation of the Board's proposed action in response to the 'no' vote, or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the remuneration report at the next annual general meeting of the Company also receives a 'no' vote of 25% or more. If this occurs, the Shareholders will vote at that annual general meeting (the **Spill Resolution**) to determine whether the Directors will need to stand for re-election at a separate, subsequent general meeting (the **Spill General Meeting**). If this Spill Resolution passes with 50% or more of the eligible votes cast, the Spill General Meeting must take place within 90 days from the relevant annual general meeting.

The Company has not received a first strike so far.

The Board makes no recommendation on voting for this Resolution 1. A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution. Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

Resolution 2 – Appointment of Tony McGrady as Director

Background

On 03 October 2022, the Board of the Company appointed Mr Tony McGrady as a Director of the Company. Rule 3.3 of the Constitution provides that any director appointed by the Board automatically retires at the next AGM. Accordingly, by way of an Ordinary Resolution, the Company now seeks approval from Shareholders to appoint Mr Tony McGrady under Rule 3.4 of the Constitution.

Proposed Director

A profile of Mr Tony McGrady is provided below:

The Honorable Mr Tony McGrady AM is a member of the Order of Australia. As the former State member for Mount Isa, the Gulf Country was part of Tony's electorate and he built a good relationship with aboriginal communities in the Gulf, receiving over 90% of the vote at election time. During his term as Minister for Mines and Energy, he presided over the creation of the Mount Isa Carpentaria Minerals Province, leading to the establishment of the Century Mine, the Ernest Henry Mine and many smaller mines providing jobs and opportunities to the Gulf Country and North West Queensland.

At the time, there was substantial opposition in some sections of the aboriginal community to mining in general and Tony took on a personal role to successfully build relationships with the Communities and their Leadership around the benefits which the Mining Industry would bring to their Communities and to their own way of life.

Tony's service in Government is as follows;

1973 – 1985: Served as an Alderman (Councillor) of Mount Isa City Council

1985 – 1990: Served as Mayor of Mount Isa

- 1989 – 2006: Served as Member for Mount Isa in the Queensland Parliament.
- Chairman of the Parliamentary Labor Party
- Minister for Mines and Energy
- Minister for Police and Corrective Services
- Minister for State Development and Innovation
- Speaker of the Parliament, followed by retirement from Parliament
- 2012 – 2016: Mayor of Mount Isa
- 2006 – 2012: Employed with Laramide Resources, a Canadian listed mining company, working mainly in developing relations with the aboriginal communities in the Gulf and Northern Territory.
- 2012 – to date: Chairman of the Premier’s Ambassadors Council
- Chairman of the CopperString Regional Reference Group
- Chairman of Lifeflight Regional
- Federal Government appointee to Riversleigh World Heritage Committee.

In addition, and bearing in mind Recommendation 1.2 of the ASX’s *Corporate Governance Principles and Recommendations* 4th Edition (the **ASX Corporate Governance Principles**):

- the Company has conducted appropriate checks into Mr McGrady’s background and experience which has revealed nothing of concern;
- following discussions with Mr McGrady, the Company is not aware of any interest, position or relationship of Mr McGrady which might influence or be reasonably perceived to influence in any material aspect, his capacity to bring an independent judgement to bear on issues before the Board, or to prevent him from acting in best interests of the Company; and
- bearing in mind those factors set out in Recommendation 2.3 of the ASX Corporate Governance Principles, the Board is of the view that if elected, Mr McGrady will qualify as an independent Director.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 2.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 2.

Resolution 3 – Appointment of David Woodall as Director

Background

On 19 May 2022, the Board of the Company appointed Mr David Woodall as a Director of the Company. Rule 3.3 of the Constitution provides that any director appointed by the Board automatically retires at the next AGM. Accordingly, by way of an Ordinary Resolution, the Company now seeks approval from Shareholders to appoint Mr David Woodall under Rule 3.4 of the Constitution.

Proposed Director

A profile of Mr David Woodall is provided below:

David brings to the Company around 50 years of experience in both the commercial and not-for-profit sectors in diverse roles as a senior executive, director and chairman. David sat on the boards of Ergon Energy, Energex, Tarong Energy Corporation, Terra Gas Traders, Starfish Windfarm, TN Power and Tarong Renewable Energy. He spent many years at MIM Holdings Limited culminating in the role of executive general manager in marketing and commercial sector. He also served as the managing director at Grainco Australia Limited, a major bulk agri-commodity marketer and handler.

Earlier in his career, he served as chairman of Environmental Clean Technologies and Queensland Country Bank. For three years, David provided chief executive services to the Abused Child Trust.

David has a Master of Business Administration (MBA) and a Diploma in Mechanical Engineering.

His special responsibilities in the Company include serving as Non-executive Chairman, member of the Hawsons audit committee and chair of the Hawsons nomination committee.

In addition, and bearing in mind Recommendation 1.2 of the ASX Corporate Governance Principles:

- the Company has conducted appropriate checks into Mr Woodall's background and experience which has revealed nothing of concern;
- following discussions with Mr Woodall, the Company is not aware of any interest, position or relationship of Mr Woodall which might influence or be reasonably perceived to influence in any material aspect, his capacity to bring an independent judgement to bear on issues before the Board, or to prevent him from acting in best interests of the Company; and
- bearing in mind those factors set out in Recommendation 2.3 of the ASX Corporate Governance Principles, the Board is of the view that if elected, Mr Woodall will qualify as an independent Director.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 3.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 3.

Resolution 4 – Re-Election of Paul Cholakos as a Director

Background

Rule 3.6 of the Constitution provides that at the annual general meeting one-third of the Directors for the time being, or if their number is not three nor a multiple of three, then the number nearest one-third, must retire from office. Rule 3.6 of the Constitution also provides that this does not apply to the Managing Director. Accordingly, Resolution 4 seeks the re-election of the Director who retires by rotation in accordance with the Constitution, being Mr Paul Cholakos.

Proposed Director

A profile of Mr Cholakos is provided below:

Paul has more than 30 years of resources industry experience, successfully managing complex development projects and operations for leading oil and gas and diversified mining companies, including through executive roles at major Australia oil and gas company, Oil Search Limited (ASX: OSH) and Exeter Resources and a variety of operational and commercial roles at MIM Holdings. He has worked in North America, South America and Asia-Pacific. He holds a Master of Business Administration (MBA) and Bachelor of Engineering degree.

His special responsibilities in the Company include serving as chairman of the Hawsons audit committee, member of the Hawsons remuneration committee and member of the Hawsons nomination committee.

Recommendation 1.2 of the Corporate Governance Principles provide that in respect of a motion to re-elect a director, a company should disclose the same information that it would disclose with respect to a director being elected for the first time. Accordingly:

- following discussions with Mr Cholakos, the Company is not aware of any interest, position or relationship of Mr Cholakos which might influence or be reasonably perceived to influence in any material aspect, his capacity to bring an independent judgement to bear on issues before the Board, or to prevent him from acting in best interests of the Company; and
- bearing in mind those factors set out in Recommendation 2.3 of the ASX Corporate Governance Principles, the Board is of the view that if elected, Mr Cholakos will qualify as an independent Director.

The Directors (other than Mr Cholakos, who abstains from making any recommendation in relation to the Resolution) recommend that Shareholders vote IN FAVOUR of Resolution 4.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 4.

Resolution 5 – Ratification of the Issue of 71,500,000 Options to LDA Capital

Background

As announced to the ASX on 22 December 2021 (see ASX announcement *Hawsons secures A\$200m equity funding package* https://hawsons.com.au/wp-content/uploads/2021/12/HIO_Equity-funding_22-Dec-21.pdf (**Equity Funding Package Announcement**)), on 21 December 2021 the Company agreed to issue 71,500,000 unlisted call options (**LDA Options**) to LDA Capital Limited (**LDA**) pursuant to the Put Option Agreement.

The LDA Options are exercisable at any time on or before 21 December 2025 (**Exercise Date**). LDA Options not exercised by this Expiry Date automatically lapse.

As noted in the Equity Funding Package Announcement, the exercise price for the LDA Options is 125% of the 90-day VWAP at the 2-year anniversary of the issue of the LDA Options, or if the 90-day VWAP at the 2-year anniversary of the issue of the LDA Options is at least \$0.55, then \$0.70 (**Maximum Price**). The LDA Options may be exercised at any time before the Exercise Date at the Maximum Price.

ASX Listing Rule 7.4

ASX 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.

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

The effect of Shareholders passing Resolution 5 by ratifying the issue of the LDA Options will be to restore the Company's ability to issue further securities in accordance with ASX Listing Rule 7.1.

If this Resolution is not passed, the Company's issue of the 71,500,000 LDA Options will be unaffected, but it will not be able to exclude them from the limited number of Securities that can be issued by the Company in a rolling 12-month period pursuant to Listing Rule 7.1.

Specific further information required by ASX Listing Rule 7.5

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

- (a) The LDA Options were issued to LDA under the Put Option Agreement.
- (b) The LDA Options were issued to LDA on 29 December 2021.
- (c) 71,500,000 LDA Options were issued.
- (d) If exercised, each LDA Option gives LDA the right to be issued one (1) Share, at an exercise price per LDA Option of (**Exercise Price**):
 - (i) 125% of the 90-day VWAP at the two (2) year anniversary of the issue of the LDA Options; or
 - (ii) if the 90-day VWAP at the two (2) year anniversary of the issue of the LDA Options is at least \$0.55, then \$0.70 (**Maximum Price**).

The LDA Options are otherwise issued on the terms set out in **Schedule 3 – LDA Option Terms**.

- (e) The LDA Options were issued for nil consideration. While it is not currently possible to determine what the Exercise Price might be at any time in the future at which the LDA Options are actually exercised, if exercised at the Maximum Price, the Company will receive \$50.05 million in subscription monies.
- (f) If the LDA Options are exercised, the subscription monies will be used to fund the bankable feasibility study in respect of the Project and for the working capital of the Company.
- (g) A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 5.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 5.

Resolution 6 – Ratification of the Issue of 17,515,000 Shares to LDA Capital

Background

On 12 July 2022, the Company issued 25 million Shares to LDA under the Put Option Agreement (the **Full Amount of Collateral Shares**). In accordance with the terms of the Put Option Agreement, the Full Amount of Collateral Shares were issued to the Seller, initially for nil consideration.

Pursuant to the terms of the Put Option Agreement, LDA must pay an amount calculated in accordance with the terms of the Put Option Agreement (the **Purchase Price**), for a minimum of 50% of the Full Amount of Collateral Shares. The Put Option Agreement provides that LDA must (at the request of the Company), sell back to the Company for nominal consideration, any Collateral Shares that the Seller has not paid for.

On 25 August 2022, LDA elected to pay for 17,515,000 of the Full Amount of Collateral Shares (the **Subscription Shares**), and not to pay for 7,485,000 of the Full Amount of Collateral Shares (the **Buy-Back Share**). The Subscription Shares are the subject of this Resolution 6, while the Buy-Back Shares are the subject of Resolution 10.

The total Purchase Price paid by LDA for the Subscription Shares was \$5,566,448, being a price per Subscription Share of \$0.3178. This subscription price represents a 90% of the average VWAP of Shares of \$0.3531, calculated during the 30-day pricing period (exclusive of adjusting events). For more details, see:

- ASX announcement released on 12 July 2022 named “*Call Notice – LDA Capital*”; and
- ASX announcement released on 25 August 2022 named “*LDA Capital Subscription Completion*”.

Under Resolution 6 the Company seeks Shareholder ratification for the previous issue of the Subscription Shares to LDA Capital.

ASX Listing Rule 7.4

ASX 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.

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

The effect of Shareholders ratifying the issue of the Subscription Shares to LDA (by passing Resolution 6), will be to restore the Company’s ability to issue for a further 17,515,000 Securities in accordance with ASX Listing Rule 7.1.

If this Resolution is not passed, the Company’s issue of the 17,515,000 Subscription Shares will be unaffected but it will not be able to exclude them from the limited number of Securities that can be issued by the Company in a rolling 12-month period pursuant to Listing Rule 7.1.

Specific information required by ASX Listing Rule 7.5

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

- (a) The relevant Shares were issued to LDA Capital under the Put Option Agreement.
- (b) The number of Securities issued was 17,515,000 Shares.
- (c) The terms under which the Subscription Shares were issued are set out in the Put Option Agreement which is summarised in the Equity Funding Package Announcement. In particular, under the Put Option Agreement:
 - (i) the Company is entitled to draw down (through put options issued to LDA), up to \$200m over the duration of the agreement (4 years);
 - (ii) the Company is entitled to issue Capital Call Notices (as defined in the Put Option Agreement), requiring LDA to subscribe for between 50% and 200% of the number of Shares set out in the relevant Capital Call Notice (**Collateral Shares**). The Company must issue the Collateral Shares to LDA, initially for nil consideration;
 - (iii) following completion of the pricing period, LDA has the discretion to elect to pay for at least 50% and up to 100% of the Collateral Shares, and may subscribe for a further 100% of the Collateral Shares;

(iv) the amount that LDA must pay for the Collateral Shares (**Subscription Price**) that it elects to pay for, is calculated in accordance with the terms of the Put Option Agreement being:

(A) 90% of the higher of the average VWAP of Shares in the 30-trading day period following the issue of the Capital Call Notice, and

(B) the minimum acceptable price notified to LDA by the Company.

In the case of the Subscription Shares, the Subscription Price has been calculated as \$0.3178, representing a 90% of the average VWAP of Shares during the 30-day pricing period exclusive of adjusting events (being \$0.3531); and

(v) any Collateral Shares that have been issued to LDA which LDA does not pay for, LDA must sell back to the Company, if required by the Company.

(d) The Subscription Shares were issued to LDA on 25 August 2022.

(e) The consideration the Company has received for the issue is \$5,566,448, being a Subscription Price per Subscription Share of \$0.3178.

(f) The subscription monies will be used to fund the bankable feasibility study in respect of the Project and working capital of the Company.

(g) A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 6.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 6.

Resolution 7 – Approval of Grant of Options to David Woodall

Background

The Company proposes to grant 5,000,000 Options to acquire ordinary Shares to Mr David Woodall, a Non-executive Director of the Company.

The number of Options proposed to be granted to Mr Woodall reflects the level of commitment provided or to be provided by Mr Woodall to the Company, taking into account the responsibilities and time commitments required of him. The number of Options proposed to be granted to Mr Woodall also reflects the value the Board feels that he brings to the enhancement of the Company and the level of commitment required by the Company from him.

Chapter 2E of the Corporations Act

The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes the public Company paying money or issuing securities to the related party. The issue of the Options is “financial benefits” for the purposes of Chapter 2E of the Corporations Act.

One of the exceptions to the prohibition on the giving of such a financial benefit without shareholder approval is where the financial benefit is reasonable remuneration for performance as an officer or employee of the company, and it is reasonable to give that remuneration given the circumstances of the Company and the related party’s circumstances (see section 211(1) of the Corporations Act).

The Board of the Company has carefully considered the issue of these Options to Mr David Woodall, and formed the view that the giving of this financial benefit as part of his remuneration would be reasonable, given the circumstances of the Company, the quantum and the terms of the contract between the Company and Mr Woodall. Accordingly, the proposed issue of Options to Mr Woodall requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Listing Rules 7.1 and 10.11

Subject to certain exceptions, none of which are applicable in the present circumstances, Listing Rule 10.11 requires Shareholder approval for a company to issue Equity Securities to a related party. Equity Securities are defined in the Listing Rules to include convertible securities and options. For the purposes of the Listing Rules, a "related party" includes a director of the public company and any entity controlled by that director. David Woodall is a Non-executive Director of the Company and therefore a related party.

Accordingly for the purposes of Listing Rule 10.11, Shareholder approval is required (and is being sought in this Resolution) for the issue to David Woodall of 5 million Options.

If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. By obtaining approval under Listing Rule 10.11, the Options will be excluded when calculating the Company's remaining capacity under Listing Rule 7.1.

Listing Rule 10.13

Listing Rule 10.13 sets out the requirements for any notice of meeting to approve the issue of securities under Listing Rule 10.11. In accordance with Listing Rule 10.13 the Company advises as follows:

- (a) The recipient of the grant of options is to be Mr David Woodall or his nominee.
- (b) Mr David Woodall is a "related party" of the Company for the purpose of Listing Rule 10.11.1. Any person or entity which he nominates to receive the Options (and which they must control), will be his respective "associates" for the purpose of Listing Rule 10.11.
- (c) Mr David Woodall or his nominee will be offered 5,000,000 Options. Upon the exercise of an Option, Mr David Woodall or his nominee will be issued with one fully paid ordinary share per Option in the capital of the Company. The vesting conditions and exercise price of the Options will be:

Tranche	Number of Options	Vesting Conditions	Exercise Price
Tranche 1 Options	1,250,000	Completion of bankable feasibility study	\$0.80 per Option
Tranche 2 Options	1,250,000	Financial close of the Company's financing to enable construction of the Project	\$1.00 per Option
Tranche 3 Options	1,250,000	Market capitalisation reaches \$1,000,000,000	\$1.00 per Option

Tranche 4 Options	1,250,000	First commercial shipment of iron ore product of the Company	\$1.20 per Option
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- (d) The purpose of the issue of Options to Mr David Woodall is to provide an appropriate incentive for him to manage the Company and to align his interests to the interests of the Shareholders of the Company.
- (e) If approval is given the Options will be issued to David Woodall no later than one (1) month after the date of the Meeting.
- (f) Mr David Woodall's current total remuneration package is \$70,000 as a director fee paid monthly, plus superannuation and the Options subject to Shareholder approval.
- (g) The terms on which the Options will be issued are set out in **Schedule 2 – Option Terms**.
- (h) The issue price of the Options will be nil, and no funds will be raised from the issue of the Options as they will be issued as reasonable remuneration to a Non-executive Director. However, upon their exercise, the Company will receive the relevant exercise price per Share as set out in the table in item © above in the Explanatory Memorandum for Resolution 7. The full subscription monies will be used by the company for working capital or as otherwise determined at the time of issue.
- (i) A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 7.

The Chair intends to vote any undirected proxies IN FAVOUR of Resolution 7.

Resolution 8 – Approval of Grant of Options to Tony McGrady

Background

The Company proposes to grant 5,000,000 Options to acquire ordinary Shares to Mr Tony McGrady, a Non-executive Director of the Company.

The number of Options proposed to be granted to Mr McGrady reflects the level of commitment provided or to be provided by Mr McGrady to the Company, taking into account the responsibilities and time commitments required of him. The number of Options proposed to be granted to Mr McGrady also reflects the value the Board feels that he brings to the enhancement of the Company and the level of commitment required by the Company from him.

The Board has determined that the grant of Options is reasonable remuneration given the nature of the Company and the Company's position in the market.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public Company from giving a financial benefit to a related party of that Company without shareholder approval unless the benefit falls within one of various exceptions to the general prohibition (see section 208 of the Corporations Act).

A "related party" is defined widely for the purposes of the Corporations Act and includes a director of that company; any spouse, parent or children of that director; and any Company or other entity

controlled by that director. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes the public Company paying money or issuing securities to the related party. The issue of the Options is “financial benefits” for the purposes of Chapter 2E of the Corporations Act.

One of the exceptions to the prohibition on the giving of such a financial benefit without shareholder approval is where the financial benefit is reasonable remuneration for performance as an officer or employee of the company, and it is reasonable to give that remuneration given the circumstances of the Company and the related party’s circumstances (see section 211(1) of the Corporations Act).

The Board of the Company has carefully considered the issue of these Options to Mr Tony McGrady and formed the view that the giving of this financial benefit as part of his remuneration would be reasonable, given the circumstances of the Company, the quantum and the terms of the contract between the Company and Mr McGrady. Accordingly, the proposed issue of Options to Mr McGrady requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Listing Rules 7.1 and 10.11

Subject to certain exceptions, none of which are applicable in the present circumstances, Listing Rule 10.11 requires Shareholder approval for a company to issue Equity Securities to a related party. Equity Securities are defined in the Listing Rules to include convertible securities and options. For the purposes of the Listing Rules a “related party” includes a director of the public company and any entity controlled by that director. Mr Tony McGrady is a Non-executive Director of the Company and therefore a related party.

Accordingly for the purposes of Listing Rule 10.11, Shareholder approval is required (and is being sought in this Resolution) for the issue to Mr Tony McGrady of 5,000,000 Options.

If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. By obtaining approval under Listing Rule 10.11, the Options will be excluded when calculating the Company’s remaining capacity under Listing Rule 7.1.

If however, Resolution 2 is not passed then the Options cannot be issued to Mr Tony McGrady.

Listing Rule 10.13

Listing Rule 10.13 sets out the requirements for any notice of meeting to approve the issue of securities under Listing Rule 10.11. In accordance with Listing Rule 10.13 the Company advises as follows:

- (a) The recipient of the grant of options is to be Mr Tony McGrady or his nominee.
- (b) Mr Tony McGrady is a “related party” of the Company for the purpose of Listing Rule 10.11.1. Any person or entity which he nominates to receive the Options (and which they must control), will be his respective “associates” for the purpose of Listing Rule 10.11.
- (c) Mr Tony McGrady or his nominee will be offered 5,000,000 Options. Upon the exercise of an Option, Mr Tony McGrady will be issued with one fully paid ordinary share per Option in the capital of the Company. The vesting conditions and exercise price of the Options will be:

Tranche	Number of Options	Vesting Conditions	Exercise Price
Tranche 1 Options	1,250,000	Completion of bankable feasibility study	\$0.65 per Option
Tranche 2 Options	1,250,000	Financial close of the Company's financing to enable construction of the Project	\$0.85 per Option
Tranche 3 Options	1,250,000	Market capitalisation reaches \$1,000,000,000	\$0.85 per Option
Tranche 4 Options	1,250,000	First commercial shipment of iron ore product of the Company	\$1.05 per Option

- (d) The purpose of the issue of Options to Mr Tony McGrady is to provide an appropriate incentive for him to manage the Company and to align his interests to the interests of the Shareholders of the Company.
- (e) If approval is given the Options will be issued to Tony McGrady no later than one (1) month after the date of the Meeting.
- (f) Mr Tony McGrady's current total remuneration package is \$50,000 as a director fee paid monthly, plus superannuation and the Options subject to Shareholder approval.
- (g) The terms on which the Options will be issued are set out in **Schedule 2 – Option Terms**.
- (h) The issue price of the Options will be nil, and no funds will be raised from the issue of the Options as they will be issued as reasonable remuneration to a Non-executive Director. However, upon their exercise, the Company will receive the relevant exercise price per Share as set out in the table in item (c) above in the Explanatory Memorandum for Resolution 8. The full subscription monies will be used by the company for working capital or as otherwise determined at the time of issue.
- (i) A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 8.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 8.

Resolution 9 – Approval to issue Shares to LDA LLC for a total consideration of \$2,000,000 under the Put Option Agreement

Background

As noted above in this Explanatory Memorandum in the context of Resolutions 5 and 6, pursuant to the terms of the Put Option Agreement, the Company must pay to LDA LLC a commitment fee of \$4,000,000 without deduction (the **Commitment Fee**) by 21 December 2022 (the **Payment Date**).

The Company now seeks Shareholder approval to pay \$2,000,000 of the Commitment Fee by the issue of Shares (the **Fee Shares**). LDA LLC and the Company have agreed that the price of the Fee

Shares is calculated by 90% of the VWAP for the 90-day period prior to the Payment Date. The number of Shares to be issued will be then calculated accordingly.

Listing Rule 7.1

In broad terms Listing Rule 7.1 (subject to certain exceptions), limits the number of Equity Securities that a listed company can issue in any 12 months without the approval of its Shareholders, to a number equal to 15% of the fully paid ordinary securities that it had on issue at the start of that 12-month period. One of the exceptions for issuing new Equity Securities equivalent in number to more than 15% of the Company's ordinary capital in any 12 months period is to obtain the approval of Shareholders.

The Company seeks Shareholders' approval to issue the Fee Shares in accordance with Listing Rule 7.1 in order to refresh the Company's ability to issue up to 15% of its share capital (in a 12-month period) under Listing Rule 7.1.

If this Resolution is not passed, the Company is still able to issue Fee Shares but it will not be able to exclude them from the limited number of Securities that can be issued by the Company in a rolling 12 month period pursuant to Listing Rule 7.1, which may affect the Company's ability to issue Shares in the future without Shareholder approval.

Specific information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Shares to LDA LLC:

- (a) The relevant Fee Shares are to be issued to LDA LLC under the Put Option Agreement;
- (b) The number of Securities to be issued is to be calculated and determined by 90% of the VWAP for the 90-day period prior to the Payment Date. It will be determined in accordance with the formula below:

$$A = B / (C * D)$$

A = the number of Shares to be issued to LDA LLC (or its nominee).

B = \$2,000,000.

C = the VWAP for the 90-day period prior to the Payment Date.

D = 90%.

For example, assuming the 90-day VWAP is \$0.365, the number of Securities to be issued will be 6,088,280. The Company notes that this figure is illustrative only and the actual number of Securities issued to LDA LLC will vary depending on the actual VWAP used on the Payment Date.

- (c) The Fee Shares will be issued as part payment of the Commitment Fee under the Put Option Agreement with the balance payable in cash;
- (d) The Fee Shares will be issued on 21 December 2022;
- (e) The terms under which the Fee Shares were issued are set out in the Put Option Agreement which is summarised in the Equity Funding Package Announcement; and
- (e) A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution.

The Directors recommend that Shareholders vote IN FAVOUR of Resolution 9.

The Chair intends to vote all undirected proxies IN FAVOUR of Resolution 9.

Resolution 10 – Approval of Selective Buy-Back of 7,485,000 Shares

Background

As noted above in this Explanatory Memorandum in the context of Resolution 6, pursuant to the terms of the Put Option Agreement:

- (a) on 12 July 2022, the Company issued to LDA 7,485,000 Buy-Back Shares;
- (b) on 25 August 2022, LDA elected not to pay for the Buy-Back Shares; and
- (c) the Company now requires LDA to sell the Buy-Back Shares to the Company for nominal consideration, which LDA has agreed to do.

Accordingly, the Company and LDA have entered into the Buy-back Agreement, which sets out the terms on which the sale of Buy-Back Shares to the Company by LDA will take place, if this Resolution 10 is passed. The Company will cancel the Buy-Back Shares immediately following the completion of that sale, if this Resolution 10 is passed.

Resolution 10 seeks Shareholder approval by way of Special Resolution for:

- (a) the terms of the Buy-back Agreement; and
- (b) the Company to conduct the Buy-back.

What is a selective buy-back?

A selective buy-back is a transaction conducted under section 257D of the Corporations Act whereby a company purchases shares in itself from one or more selected Shareholders (**selective buy-back**). The shares which are purchased are cancelled upon completion of the selective buy-back.

A selective buy-back is distinct from an equal access buy-back, which involves an offer by the Company to all shareholders to acquire their shares (subject to a maximum acceptance amount).

Corporation Act Requirements

(a) Section 257D(1) of the Corporations Act

To enable a company to undertake the selective buy-back, section 257D(1) of the Corporations Act requires the terms of a buy-back agreement to be approved before it is entered into by either:

- (i) a special resolution passed at a general meeting of the company with no votes being cast in favour of the resolution by any person whose shares are proposed to be bought back or by their associates; or
- (ii) a resolution agreed to, at a general meeting, by all ordinary shareholders,

or the agreement must be conditional on such an approval. In this respect, the buy-back agreement is conditional upon obtaining Shareholder approval by way of Special Resolution.

(b) Section 257A of the Corporations Act

Under section 257A of the Corporations Act, the requirements for a selective buy-back are that the selective buy-back:

- (i) does not materially prejudice the company's ability to pay its creditors; and

(ii) follows the procedures laid down in Division 2 of Chapter 2J of the Corporations Act.

(c) **Company's ability to pay Creditors**

The Directors of the Company consider that the proposed Buy-back will not prejudice the Company's ability to pay its creditors. The Buy-back will be conducted for a nominal consideration price of \$1. As such, there is no expected cash outlay by the Company.

(d) **Division 2 Part 2J of the Corporations Act**

The Company intends to follow the procedure laid down in Division 2 Part 2J of the Corporations Act in respect of the selective buy-back and will comply with all lodgement requirements so mandated. Relevantly, pursuant to section 257E of the Corporations Act, the Company has lodged an ASIC form 280 with a copy of this Notice attached, at least 14 days prior to this Meeting.

(e) **Section 257H of the Corporations Act**

In accordance with section 257H of the Corporations Act, all rights attaching to the Shares the subject of the Buy-back (**Buy-back Shares**) were suspended on 13 October 2022. Should this Resolution be passed, the Company will cancel the Buy-back Shares immediately after registration of the transfer of them to the Company.

Additional Information

ASIC Regulatory Guide 110 outlines what information ASIC considers should be included in a notice of meeting where a buy-back resolution is being considered. This information is set out below:

Number of Shares on issue	741,052,950
Percentage of Shares to be bought back	1.01%
Buy-back price	An aggregate purchase price of \$1 in total for all the Buy-Back Shares.
Reason for the Buy-back	In accordance with the terms of the Put Option agreement, being the agreement pursuant to which the Buy-Back Shares were issued to LDA, LDA does not intend to pay for the Buy-Back Shares.
Directors' interest (if any)	Nil
Financial effect on the Company	Nil
Source of funds for the buy-back	The \$1 will be provided from the Company's existing reserves.
Advantages of the Buy-back	Given that LDA did not elect to pay for the Buy Back Shares, the buy-back of those Buy Back Shares for an aggregate amount of

	\$1, and cancellation of those Shares, reduce the total number of Securities on issue to the benefit of all remaining Shareholders.
Disadvantages of the Buy-back	Nil
Effect of the buy-back on the control of the Company	Nil
Identity of the Seller	LDA Capital Limited

In summary the terms of the Buy-back Agreement are as follows:

- (a) Completion sale of the Buy-Back Shares is subject to and conditional upon **(Conditions)**:
 - (i) this Resolution 10 being passed; and
 - (ii) all other requirements of Chapter 2J of the Corporations Act being satisfied.
- (b) The purchase price for the Buy-Back Shares is a total of \$1.00. The Seller acknowledges and agrees that the aggregate purchase price is fair, just, and reasonable consideration for the sale and transfer of the Buy-Back Shares and that no additional consideration or remuneration will be due or payable with regard to the sale and transfer of the Buy-Back Shares.
- (c) Completion of the sale and transfer will take place at the Company's registered office on the first Business Date after all of the Conditions are satisfied (or such other date as is agreed).
- (d) LDA must sell the Buy-Back Shares to the Company free of any encumbrances or third-party interests.

The Directors recommend that Shareholders vote IN FAVOUR of this Resolution 10.

The Chair intends to vote any undirected proxies IN FAVOUR of Resolution 10.

Resolution 11 – Approval to Amend the Constitution

Background

The Company's current Constitution was adopted by the Company in November 2007.

Section 136 of the Corporations Act allows a Company to modify its Constitution by a Special Resolution passed at a general meeting of the Company. A Special Resolution must be passed by at least 75% of the votes cast by Shareholders who are entitled to vote on the Resolution.

As part of the Company's regular review of its operations to streamline administration, minimise costs and incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out below. The Company believes that the proposed amendments will assist the Company to communicate with Shareholders more effectively and efficiently as well as utilise various electronic platforms and tools to hold and conduct Shareholder meetings.

Amendments

Accordingly, the Company has prepared an updated Constitution (**New Constitution**) which incorporates the following key amendments:

(a) **Delete the current Rule 13.7 and replace with the following as a new Rule 13.7:**

“13.7 Use of technology at meetings

- (a) *A general meeting may be held at two or more venues using Virtual Meeting Technology or using Virtual Meeting Technology only.*
- (b) *Subject to the Corporations Act and this Constitution, a general meeting may be held using one or more technologies that give the members a reasonable opportunity to participate in the meeting without being physically present at any particular or specified location.*
- (c) *Where a general meeting is held using any form of technology in accordance with Rule 13.7(b):*
 - (i) *the technology used must be reasonable and allow the members who are entitled to attend the meeting, and do attend the meeting using that Virtual Meeting Technology, as a whole, to exercise their right to ask questions and make comments both verbally and in writing;*
 - (ii) *a member participating in the meeting is taken for all purposes, including the quorum requirements in Rule 14.2, to be present in person at the meeting;*
 - (iii) *if a person is entitled to attend the meeting, or to vote at the meeting, by proxy, the chairperson of the meeting must treat a duly appointed proxy in the same way as the person would be entitled or required to be treated if they attended the meeting in person;*
 - (iv) *the provisions of this Constitution relating to general meetings apply, so far as they can and with any necessary changes, to general meetings held using that technology; and*
 - (v) *the meeting is to be taken to be held at:*
 - (A) *if the meeting is held at more than one physical venue (whether or not it is also held using Virtual Meeting Technology), the main physical venue of the meeting as set out in the notice of the meeting;*
or
 - (B) *if the meeting is held using Virtual Meeting Technology only, the registered office of the Company.”*

In this Rule, **“Virtual Meeting Technology** means any technology that allows a person to participate in a meeting without being physically present at any particular or specified meeting.”

(b) **Insert a new Rule 17.4 with the following:**

“17.4 Direct voting

Despite anything to the contrary in this Constitution, the Directors may decide that, at any general meeting or class meeting, a Shareholder who is entitled to attend and vote on a resolution at that meeting is entitled to vote by direct vote in respect of that resolution. A ‘direct vote’ includes a vote delivered to the Company by post, fax or other electronic means approved by the Directors. The Directors may prescribe regulations, rules, and procedures in relation to

direct voting, including specifying the form, method, and timing of giving a direct vote at a meeting for the vote to be valid.”

- (c) **Amend the name of the Company from “Carpentaria Resources Limited” to “Hawsons Iron Limited”.**

Additional Information

Prior to this Meeting, a copy of the New Constitution is available for review by Shareholders at the Company’s registered office during normal business hours. A copy of the New Constitution can also be sent to Shareholders of the Company upon a request being made to the Company secretary Greg Khan by email greg.khan@hawsons.com.au.

A complete signed copy of the New Constitution will be tabled at the Meeting.

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

The Directors recommend that Shareholders vote IN FAVOUR of this Resolution 11.

The Chair intends to vote any undirected proxies IN FAVOUR of Resolution 11.

Resolution 12 – Approval of Additional Placement Capacity Under ASX Listing Rule 7.1A

General

ASX Listing Rule 7.1A enables eligible entities to seek Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company’s 15% placement capacity under ASX Listing Rule 7.1.

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

The Company is not included in the S&P/ASX 300 Index as at the time of this Annual General Meeting, however, it should be noted that the S&P/ASX 300 index is rebalanced twice a year in March and September.

Meanwhile, the Company’s market capitalisation is less than \$300 million when this Notice of Meeting is issued. But to be an eligible entity under Listing Rule 7.1A, the calculation of the market capitalisation will be based on the closing market price of the Shares, on the last trading day on which trades in the Shares were recorded before the date of the Annual General Meeting, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

Therefore, the Company is an eligible entity and able to undertake the 10% Placement Facility under Listing Rule 7.1A when this Notice of Meeting is issued. But in the event that the Company for any reason ceases to be an eligible entity on the date before the Annual General Meeting, this Resolution will not be put forward to be voted in the Meeting.

If the Company ceases to be an eligible entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue Equity Securities up to 10% of its issued share capital during the 12-month period following this AGM.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. This approval is sought so that

the Company may be in a position to raise additional capital for the purposes of progressing the Hawsons Iron Project and feasibility studies in relation to that project, if required.

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

The approval of Resolution 12 will provide the Company with flexibility to issue Equity Securities under the 10% Placement Facility during the 12-month period after the Meeting, in addition to the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1, without a further requirement to obtain the prior approval of Shareholders.

Resolution 12 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholder's present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

ASX Listing Rule 7.1A

- (a) Shareholder approval - The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.
- (b) Equity Securities - Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Shares on issue are fully paid ordinary shares.

Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A provides that eligible entities that have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period following the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (a) plus the number of fully paid Shares issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exceptions 9, 16 or 17;
 - (b) plus the number of fully paid Shares issued in the 12 months on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
 - (c) plus the number of fully paid Shares issued in the 12 months under an agreement to issue Shares within ASX Listing Rule 7.2 exception 16 where:

- (i) the agreement was entered into before the commencement of the 12 months; or
 - (ii) the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
- (d) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (e) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary Shares under the entity's 15% placement capacity without Shareholder approval;
 - (f) less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.4.

ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

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

As at the date of this Notice, the Company has on issue 741,052,950 Shares and therefore has a capacity to issue:

- (a) 111,157,942 Equity Securities under ASX Listing Rule 7.1; and
- (b) subject to the approval of Resolutions 11, an additional 74,105,295 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Minimum Issue Price

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

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within ten (10) Trading Days of the date in subparagraph (a) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (b) the time and date of the Company's next Annual General Meeting;
- (c) the time and date of the approval by holders of the eligible entity's ordinary securities of a transaction under Listing Rule 11.1.2 or 11.2, **(10% Placement Period)**.

Specific information required by ASX Listing Rule 7.3A

Pursuant to, and in accordance with, ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) Minimum price

The Equity Securities will be issued for a cash consideration at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within ten (10) Trading Days of the date in subparagraph (a) above, the date on which the Equity Securities are issued.

- (b) Potential risk of economic and voting dilution

If Resolution 12 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in Table 1 below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table 1 below shows the dilution of existing Shareholders on the basis of the market price of Shares (as at 30 September 2022) and the number of Shares as at the date of this Notice (**Table 1**) calculated in accordance with the formula in ASX Listing Rule 7.1A.2, representing variable "A".

Table 1 also shows:

- (a) two examples where each variable "A" has increased, by 50% and 100%; and
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price of \$0.40 (being the closing price of the Shares on ASX on 30 September 2022).

TABLE 1 – Current number of ordinary securities (as at the date of this Notice)

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.20	\$0.40	\$0.80
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Variable A 741,052,950 Shares	10% Voting Dilution	74,105,295 Shares	74,105,295 Shares	74,105,295 Shares
	Funds raised	\$14,821,059	\$29,642,118	\$59,284,236
50% increase in current Variable A 1,111,579,425 Shares	10% Voting	111,157,942 Shares	111,157,942 Shares	111,157,942 Shares
	Dilution			
	Funds raised	\$22,231,588	\$44,463,176	\$88,926,353
100% increase in current Variable A 1,482,105,900 Shares	10% Voting Dilution	148,210,590 Shares	148,210,590 Shares	148,210,590 Shares
	Funds raised	\$29,642,118	\$59,284,236	\$118,568,472

Table 1 has been prepared on the following assumptions:

- (a) With respect to the number of ordinary securities, there are currently 741,052,950 Shares on issue.
- (b) The assumed issue price is \$0.40, being the closing price of the Shares on ASX on 30 September 2022.
- (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (d) The Company has not issued any Equity Securities in the 12 months prior to the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- (e) No Options are exercised into Shares before the date of the issue of the Equity Securities.
- (f) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (g) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that

Shareholder's holding at the date of the Annual General Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- (h) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- (i) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

Timing of potential issue

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval provided by Shareholders under Resolution 12 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

Purpose of potential issue

The Company may seek to issue the Equity Securities to raise capital to fund (or partially fund) engineering and construction in respect of the Hawsons Iron Project, to fund (or partially fund) the acquisitions of new assets that accelerate the development of the Hawsons Iron Project or for general working capital purposes.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 upon issue of any Equity Securities.

Allocation policy under the 10% Placement Facility

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing holders of Equity Securities can participate;
- (b) the effect of the issue of the Equity Securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Prior Shareholder approval

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its last Annual General Meeting in 2021. For the purposes of ASX Listing Rule 7.3A.6, the following information is supplied:

- (a) In the 12 months period preceding the date of this notice, 25,000,000 Shares in total have been issued by the Company;
- (b) For the purposes of Listing Rule 7.3A.6(b):

- (i) 25,000,000 fully paid ordinary shares were issued by way of a private placement to LDA Capital at an issue price of \$0.3178 per Share (representing 90% of the average VWAP of Shares during the 30-day pricing period exclusive of adjusting events being \$0.3531) to raise \$5,566,448 (before costs) for working capital purposes. Of these 25,000,000 Shares issued, 7,617,504 were issued under rule 7.1A.2 representing approximately 1% of the total Shares on issue at the time. Resolution 10 seeks Shareholder approval to buy back 7,485,000 Shares among the 25,000,000 Shares issued.

The Directors recommend that Shareholders vote IN FAVOUR of this Resolution 12.

The Chair intends to vote any undirected proxies IN FAVOUR of Resolution 12.

Schedule 1 - Definitions

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

\$ means Australian Dollars.

Associate has the meaning ascribed to it in Part 1.2 Division 2 of the Corporations Act.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors of the Company.

Buy-back means the selective buy-back the subject of Resolution 10.

Buy-back Agreement means the agreement between the Company and LDA Capital Limited entered into on 13 October 2022.

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

Closely Related Party has the meaning given in the Corporations Act.

Company means Hawsons Iron Limited ACN 095 117 981 (ASX: HIO).

Constitution means the constitution of the Company.

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

Director means a current director of the Company.

Equity Security has the same meaning as in the Listing Rules and **Equity Securities** has a corresponding meaning.

Equity Funding Package Announcement has the meaning given to it in that section of the Explanatory Memorandum dealing with Resolution 5.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Full Amount of Collateral Shares has the meaning given to it in that section of the Explanatory Memorandum dealing with Resolution 6.

General Meeting, Meeting, Annual General Meeting or **AGM** means the meeting convened by the Notice.

Key Management Personnel has the meaning given in the Corporations Act.

LDA has the meaning given to it in that section of the Explanatory Memorandum dealing with Resolution 5.

LDA Options has the meaning given to it in that section of the Explanatory Memorandum dealing with Resolution 5.

Listing Rules means the Listing Rules of ASX, as amended from time to time.

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

Option means an Option (whether agreed or granted) to acquire a fully paid ordinary Share in the capital of the Company.

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

Project means the Hawsons Iron Project, situated 60km southwest of Broken Hill, New South Wales, Australia in the emerging Braemar Iron Province.

Proxy Form means the proxy form attached to the Notice.

Put Option Agreement means the agreement between the Company, LDA Capital Limited and LDA Capital LLC dated on or about 21 December 2021, which is the subject of the Equity Funding Package Announcement.

Remuneration Report means the remuneration report the subject of Resolution 1 (Adoption of Remuneration Report) as set out in the Notice.

Resolution means a resolution referred to in the Notice and includes both Ordinary Resolutions and Special Resolutions.

Rule means a rule of the Company's Constitution as amended from time to time.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Securities means all Equity Securities of the Company, including Shares and Options.

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

Shareholder means a registered holder of a Share.

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

Trading Day means a day in which the Company's Securities are traded on ASX.

VWAP has the meaning given to it Chapter 19 of the ASX Listing Rules.

Schedule 2 – Option Terms

The terms of the Options are set out below.

- (1) The Options shall be issued for no cash consideration.
- (2) The exercise price of each Option is set out in below table (**Exercise Price**):
 - (a) Mr David Woodall

Number of Options	Vesting Conditions	Exercise Price
1,250,000	Completion of Bankable Feasibility Study	\$0.80 per option
1,250,000	Financial close of the Company's financing to enable construction of the Project	\$1.00 per option
1,250,000	Market capitalization of the Company reaches \$1,000,000,000	\$1.00 per option
1,250,000	First commercial shipment of iron ore product of the Company	\$1.20 per option

- (b) Mr Tony McGrady

Number of Options	Vesting Conditions	Exercise Price
1,250,000	Completion of Bankable Feasibility Study	\$0.65 per option
1,250,000	Financial close of the Company's financing to enable construction of the Project	\$0.85 per option
1,250,000	Market capitalization of the Company reaches \$1,000,000,000	\$0.85 per option
1,250,000	First commercial shipment of iron ore product of the Company	\$1.05 per option

- (3) The Options will expire on 15 November 2027 (**Expiry Date**) unless earlier exercised. Meanwhile, the Options will automatically lapse at the expiration of 12 months after the Option Holder ceases to be an officer in the Company.
- (4) The Options will not be listed on the ASX.
- (5) The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise (**Exercise Notice**) together with payment for the Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.

- (6) The number of Options that may be exercised at one time must be not less than 25,000, unless the holder of the Option (**Option Holder**) holds less than 25,000 Options in which case all Options must be exercised at one time.
- (7) Within 5 Business Days after the valid exercise of the Options and payment of the Exercise Price, the Company will:
- (a) allot and issue the number of fully paid ordinary Shares ranking *pari passu* with the then issued Shares as required under these terms and conditions in respect of the number of Options specified in the Exercise Notice and for which cleared funds have been received by the Company; and
 - (b) 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) Option Holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where and only to the extent required pursuant to the Listing Rules, provide Option Holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- (9) Option Holders do not participate in any dividends unless the Options are exercised, and the resultant Shares of the Company are issued prior to the record date to determine entitlements to the dividend.
- (10) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
- (a) the number of Options, the Exercise Price of the Options, or both will be reorganised (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the Option Holders are not conferred on Shareholders; and
 - (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
- (11) If there is a pro rata issue (except a bonus issue), the Exercise Price of Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

$$N + 1$$

where,

Oⁿ is the new exercise price of the Option;

O is the old exercise price of the Option;

E is the number of underlying securities into which one Option is exercisable;

P is the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex-right date or the ex-entitlements date;

S is the subscription price for a security under the pro rata issue;

D is dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N is the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (12) If there is a bonus issue to the Shareholders of the Company, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the bonus issue.
- (13) The terms of the Options shall only be changed if Shareholders (whose votes are not to be disregarded) of the Company approve of such a change. However, unless all necessary waivers of the Listing Rules are obtained, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.

Schedule 3 – LDA Option Terms

The terms of the LDA Options are set out below.

Entitlement

- 1 Subject to and conditional upon any adjustment in accordance with these conditions, each LDA Option entitles LDA to subscribe for one fully paid ordinary Share upon payment of the Exercise Price.

Exercise Period

- 2 Each LDA Option is exercisable at any time on or before 5.00pm (Sydney time) on the fourth anniversary of the date of grant of the LDA Options (the **Expiry Date**). LDA Options not exercised by the Expiry Date automatically lapse.

Exercise Price

- 3 The exercise price for the LDA Options (the **Exercise Price**) is 125% of the 90-day VWAP at the 2-year anniversary of the issue of the LDA Options, or if the 90-day VWAP at the 2-year anniversary of the issue of the LDA Options is at least \$0.55, then \$0.70 (**Maximum Price**). The LDA Options may be exercised at any time at the Maximum Price.

Manner of exercise of LDA Options

- 4 The LDA Option may be exercised by notice in writing addressed to the Company's registered office. Payment of the Exercise Price for each LDA Option must accompany each notice of exercise of LDA Option. All cheques must be payable to the Company and be crossed 'not negotiable'.

Ranking of Shares

- 5 Shares issued on the exercise of LDA Options will rank equally with all existing shares on and from the date of issue in respect of all rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the date of issue of those Shares.

Timing of issue of shares

- 6 After an LDA Option is validly exercised, the Company must as soon as possible:
 - (a) issue and allot the relevant Share as soon as possible; and
 - (b) do all such acts matters and things to obtain the grant of quotation for the relevant Shares on ASX no later than 5 Business Days (as defined) from the date of exercise of the LDA Option.

LDA Options are non-transferrable

- 7 LDA Options may not be transferred.

Participation in new issues

- 8 LDA may participate in new issues of securities to holders of Shares only if and to the extent that:
 - (a) an LDA Option has been exercised; and
 - (b) a Share has been issued in respect of the exercise before the record date for determining entitlements to the new issue.

- 9 The Company must give notice to LDA of any new issue not less than 6 Business Days before the record date for determining entitlements to the issue.

Adjustment for bonus issues of Shares

- 10 If the Company makes a bonus issue of Shares or other securities to existing shareholders of the Company (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment and for the avoidance of doubt, excluding any Shares issued on vesting or exercise of the Company's options or other convertible securities already on issue on the date of this agreement or as a result of Shares pursuant to an employee incentive plan of the Company):
- (a) the number of Shares which must be issued on the exercise of an LDA Option will be increased by the number of Shares which LDA would have received if LDA had exercised the LDA Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.

Adjustment for rights issue

- 11 If the Company makes a pro rata issue (except a bonus issue) to existing shareholders of the Company, the Exercise Price of an LDA Option will be adjusted in accordance with the Listing Rule 6.22.2, with the necessary changes as the context may require.

Reorganisation

- 12 If there is any reorganisation of the issued share capital of the Company, the rights of LDA will be varied to the extent necessary to comply with the Listing Rules which apply to the reorganisation at the time of reorganisation.

Reconstructions

- 13 If there is any reconstruction of the issued share capital of the Company, the number of Shares to which LDA is entitled, and/or the Exercise Price, must be reconstructed in a manner which complies with the Listing Rules (which will not result in any benefits being conferred on LDA which are not conferred on shareholders of the Company and subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital), but in all other respects, the terms for the exercise of an LDA Option will remain unchanged.

Dividend entitlement

- 14 LDA Options do not carry any dividend entitlements. Shares issued on exercise of LDA Options rank equally with other issued Shares of the Company on and from issue. Shares issued upon the exercise of LDA Options will only participate in a future dividend or other shareholder action if such Shares have been issued on or prior to the applicable record date for determining entitlements.

Voting rights

- 15 The LDA Options do not confer upon the holder a right to receive notices of general meetings (except as may be required by law), nor any right to attend, speak at or vote at general meetings of the Company.

Interpretation

- 16 These terms and conditions of issue must be interpreted in the same way as the Put Option Agreement under which the Option was issued.

LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
Hawsons Iron Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND***
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

*During business hours Monday to Friday

 **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (Brisbane time) on Sunday, 13 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

Virtual Meeting Online Guide

Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer – 11 and up
- Microsoft Edge – 92.0 and after

To attend and vote you must have your securityholder number and postcode.

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

Please make sure you have this information before proceeding.

Virtual Meeting Online Guide

Step 1

Open your web browser and go to <https://meetings.linkgroup.com/HIO22>

Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting starts automatically once the meeting has commenced. If the webcast does not start automatically please press the play button and ensure the audio on your computer or device is turned on.
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

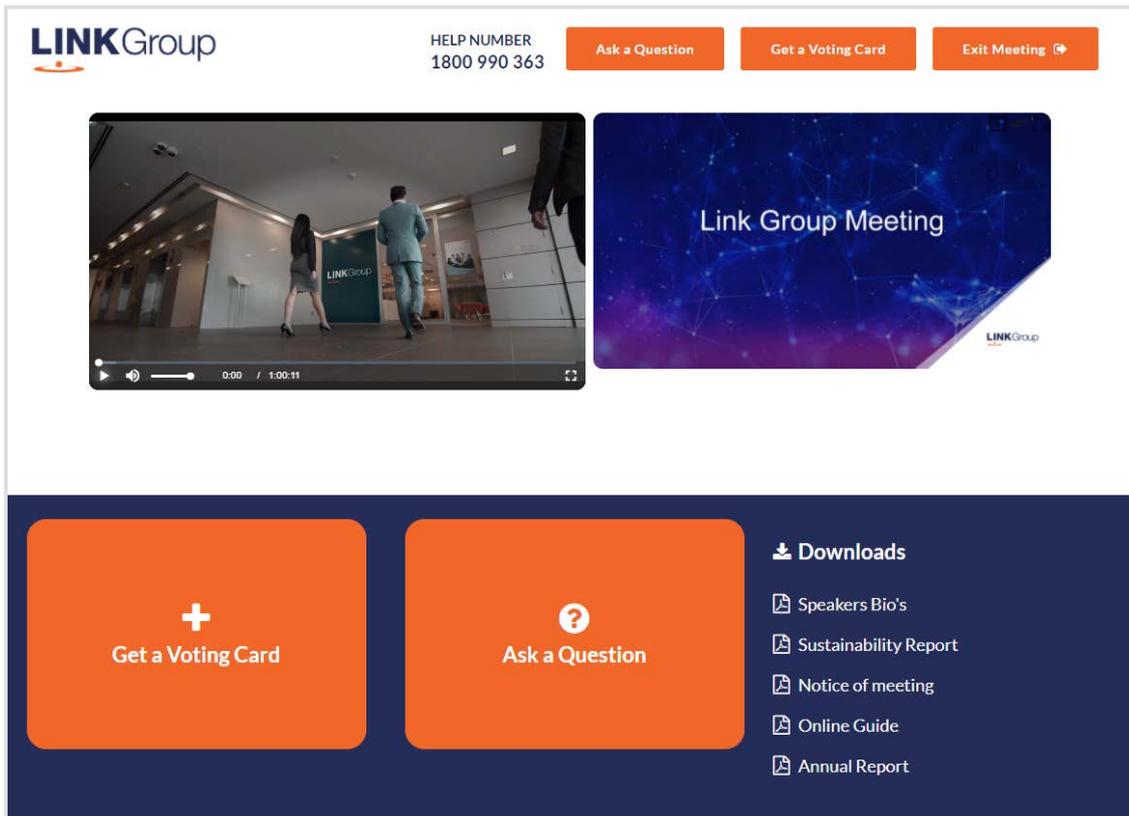
This will bring up a box which looks like this.

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



Full Votes

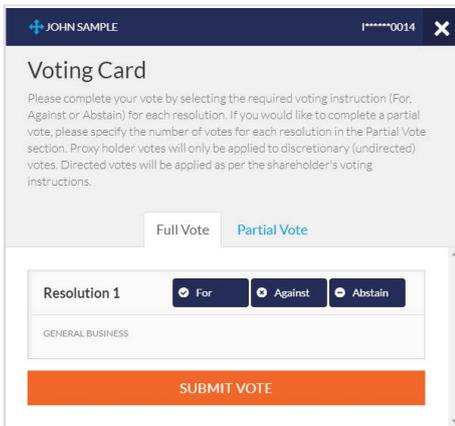
To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.



Note: You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

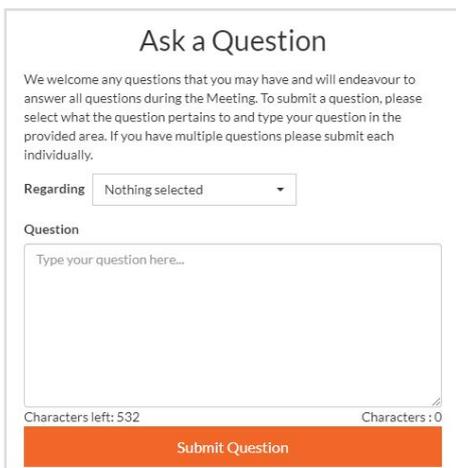
Once voting has been closed all submitted voting cards cannot be changed.

2. How to ask a question

Note: Only verified Securityholders, Proxyholders and Company Representatives are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your securityholder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The 'Ask a Question' box will then pop up with two sections for completion.



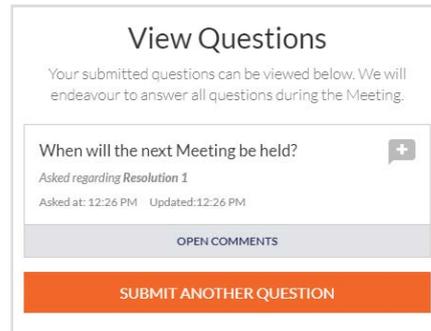
In the 'Regarding' section click on the drop down arrow and select the category/resolution for your question.

Click in the 'Question' section and type your question and click on 'Submit'.

A 'View Questions' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



3. Downloads

View relevant documentation in the Downloads section.

4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

5. Phone Participation

What you will need

- a) Land line or mobile phone
- b) The name and securityholder number of your holding/s
- c) To obtain your unique PIN, please contact Link Market Services on +61 1800 990 363

Joining the Meeting via Phone

Step 1

From your land line or mobile device, call:
1800 941 125 (within Australia) or
+61 7 3145 4066 (Outside Australia)

Step 2

You will be greeted with a welcome message and provided with instructions on how to participate in the Meeting. Please listen to the instructions carefully.

At the end of the welcome message you will be asked to provide your PIN by the moderator. This will verify you as a securityholder and allow you to ask a question on the resolutions at the Meeting.

Step 3

Once the moderator has verified your details you will be placed into a waiting room where you will hear music playing.

Note: If your holding cannot be verified by the moderator, you will attend the Meeting as a visitor and will not be able to ask a question.

Step 4

At the commencement of the Meeting, you will be admitted to the Meeting where you will be able to listen to proceedings.

Asking a Question

Step 1

When the Chairman calls for questions or comments on each item of business, **press *1** on your keypad for the item of business that your questions or comments relates to. If at any time you no longer wish to ask a question or make a comment, you can lower your hand by **pressing *2** on your keypad.

Step 2

When it is time to ask your question or make your comment, the moderator will introduce you to the meeting. Your line will be unmuted and you will be prompted to speak. If you have also joined the Meeting online, please mute your laptop, desktop, tablet or mobile device before you speak to avoid technical difficulties for you and other shareholders.

Step 3

Your line will be muted once your question or comment has been asked / responded to

Contact us

Australia

T +61 1800 990 363

E info@linkmarketservices.com.au