

1 October 2021

Mastermyne Group Limited (ASX Code: MYE) Annual General Meeting

The COVID-19 pandemic continues to impact all of us in our home and working lives during 2021. As a result, Mastermyne Group Limited (*Mastermyne* or *Company*) will again hold a hybrid Annual General Meeting (AGM or *Meeting*) this year to give shareholders the ability to participate in the Meeting online.

As done last year, the Notice of Meeting and Explanatory Statement are being made available to shareholders electronically. The Meeting Materials have been released through Australian Securities Exchange (ASX) and can be accessed online on the ASX market announcements page and on the Company's website: <https://www.mastermyne.com.au/news/investors/asx-announcements/>

The Meeting is to be held at 11:00am (Queensland time) on Tuesday 2 November 2021 at the Company's Registered Office, Level 1, 45 River Street, Mackay, Queensland **and online** at <https://agmlive.link/MYE21>.

The safety of our employees, shareholders and community is paramount. The Company will comply with government restrictions in place at the time of the Meeting, and may be required to limit the number of shareholders permitted to enter the physical Meeting venue to comply with social distancing requirements.

The online platform provided by the Company's share registry, Link Market Services, will allow shareholders to do all of the following online: view the Meeting, ask questions during the Meeting, and vote during the Meeting. Further details on how to participate online will be published on the Company's website.

Shareholders wishing to attend and vote online at the Meeting must ensure they have located their Shareholder number in advance of joining the Meeting. For security reasons, Shareholder numbers can only be sent by post to the Shareholder's registered address. They cannot be provided by email or phone. Shareholders can attend the meeting without their Shareholder number but will not be able to vote or ask a question.

For those Shareholders who wish to ask a question or make a comment at the Meeting orally rather than via the online AGM platform, a questions and comments phone line will be available during the AGM. To utilise the questions and comments phone line, please call Link Market Services on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) by 11:00am (Queensland time) on Sunday 31 October 2021, to register your participation and obtain your phone PIN. For further guidance on how to join the AGM online or access the phone question and comments facility, please refer to the Online Guide on the Company's website.

Even if you plan to attend the Meeting at the venue or online, we encourage you to submit either a direct vote or a proxy vote *ahead of the meeting*, and as early as possible, so that your vote will still be counted if for any reason you cannot attend (for example, if there is an issue with your internet connection on the day of the Meeting that prevents you from attending online, or if the Company is required to restrict numbers attending at the venue).

As a Shareholder you can either:

- lodge your direct vote or your proxy appointment *online* at www.linkmarketservices.com.au or
- complete and return to Link Market Services, in one of the ways listed in the Notice of Meeting, your hard-copy Shareholder Voting Form, in which you can choose to either vote direct or appoint a proxy.

In either case, your vote or your proxy appointment *must be received* by Link Market Services by 11:00am (Queensland time) on Sunday 31 October 2021.

If you need help with lodgement of your voting instructions either online via www.linkmarketservices.com.au or through return of your Shareholder Voting Form, please contact Link Market Services as early as possible.

In the event that it is necessary for the Company to give further updates, information will be provided on the Company's website and lodged with the ASX.

Yours faithfully,

Brett Maff
Company Secretary

MASTERMYNE GROUP LIMITED

ACN 142 490 579

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting (**AGM** or **Meeting**) of shareholders of Mastermyne Group Limited (**Company** or **Mastermyne**) will be held as a hybrid meeting as follows:

Date: Tuesday 2 November 2021

Time: commencing at 11:00 am (Queensland time)

Venue: the Company's Registered Office, Level 1, 45 River Street, Mackay, Queensland

Online: <https://agmlive.link/MYE21>

Notes relating to participation and voting, an Explanatory Statement containing information relating to each of the Resolutions to be put to the Meeting, and a Shareholder Voting Form (which includes both a direct voting form and a proxy appointment form) accompany and form part of this Notice.

AGENDA

ORDINARY BUSINESS

ITEM 1 – PRESENT ANNUAL FINANCIAL REPORT

To receive and consider the Company's Annual Financial Report comprising the Directors' Report, Balance Sheet, Statements of Comprehensive Income, Changes in Equity, Cash Flows and Notes to the Financial Statements, Directors' Declaration and Auditor's Report for the financial year ended 30 June 2021.

Note: This item of business is the formal presentation of the Annual Financial Report to shareholders as required by the Corporations Act 2001 (*Cth*) (**Corporations Act**). Apart from Resolution 1 (Adopt Remuneration Report) no resolution is required, and no resolution is proposed, in relation to the Annual Financial Report, but this item allows shareholders an opportunity to ask questions or make statements at the Meeting about the accounts, the audit and Company management.

RESOLUTION 1 – ADOPT REMUNERATION REPORT

To consider and, if considered appropriate, pass the following non-binding resolution as an ordinary resolution, under section 250R(2) of the Corporations Act:

“To adopt the Remuneration Report of the Company (as set out in the Directors' Report) for the financial year ended 30 June 2021.”

Note: The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Resolution 1 is subject to voting exclusions set out at the end of this Notice of Meeting.

RESOLUTION 2 – RE-ELECT MR GABE MEENA AS DIRECTOR

To consider and, if considered appropriate, pass the following resolution as an ordinary resolution:

"That Gabe Meena, a Non-Executive Director who retires by rotation in accordance with ASX Listing Rules and Article 47(b) of the Company's Constitution, and being eligible, is re-elected as a Non-Executive Director of the Company."

Note: The Explanatory Statement provides information about Gabe Meena.

RESOLUTION 3 – RE-ELECT MS JULIE WHITCOMBE AS DIRECTOR

To consider and, if considered appropriate, pass the following resolution as an ordinary resolution:

"That Julie Whitcombe, a Non-Executive Director who retires by rotation in accordance with ASX Listing Rules and Article 47(b) of the Company's Constitution, and being eligible, is re-elected as a Non-Executive Director of the Company."

Note: The Explanatory Statement provides information about Julie Whitcombe.

SPECIAL BUSINESS

RESOLUTION 4 – APPROVE PROPOSED ISSUE OF PYBAR CONSIDERATION SHARES TO PYBAR SELLERS

To consider and, if considered appropriate, pass the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue the PYBAR Consideration Shares to the PYBAR Sellers under the Share Purchase Agreement, on the terms and conditions set out in the Explanatory Statement."

Note: The Explanatory Statement provides a summary of ASX Listing Rule 7.1 and the Share Purchase Agreement.

Resolution 4 is subject to voting exclusions set out at the end of this Notice of Meeting.

RESOLUTION 5 – APPROVE PROPOSED ISSUE OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR OR NOMINEE

To consider and, if considered appropriate, pass the following resolution as an ordinary resolution:

"That in accordance with ASX Listing Rule 10.14 and for all other purposes, the Company is authorised to issue to Managing Director Mr Tony Caruso, or his nominee, 385,995 Performance Rights under the Mastermyne Group Limited 2015 Employee Performance Rights Plan, on the terms described in the Explanatory Statement."

Note: The Explanatory Statement summarises the proposed terms of the Managing Director's Performance Rights and the effect of the proposed approval under ASX Listing Rules. If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 10.11.

Resolution 5 is subject to voting exclusions set out at the end of this Notice of Meeting.

RESOLUTION 6 – APPROVE ADDITIONAL 10% PLACEMENT CAPACITY

To consider and, if considered appropriate, pass the following resolution as a special resolution:

"That the Company have the additional capacity to issue equity securities provided for in ASX Listing Rule 7.1A."

Note: The Explanatory Statement provides a summary of ASX Listing Rule 7.1A.

Resolution 6 is subject to voting exclusions set out at the end of this Notice of Meeting.

RESOLUTION 7 – APPROVE CHANGE OF COMPANY NAME

Conditional on Shareholders approving Resolution 4, to consider and, if considered appropriate, pass the following resolution as a special resolution:

"That for the purposes of sections 157(1)(a) and 136(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the name of the Company to be changed to "Metarock Group Limited" and for all references to the Company's name in the Constitution of the Company be replaced with "Metarock Group Limited"."

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

Brett Maff
Company Secretary
1 October 2021

NOTES RELATING TO ATTENDANCE AND VOTING

Entitlement to Attend and Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), for the purposes of determining voting entitlements at the AGM, Shares will be taken to be held by the persons who are registered as holding the Shares at 11.00am (Queensland time) on Sunday 31 October 2021. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of shares is present at the Meeting (whether personally, online, or by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

All decisions will be determined by poll

All items of business in the Notice of Meeting will be decided by way of a poll. On a poll, shareholders have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).

On a poll, if:

- a shareholder has appointed a proxy (other than the Chair of the Meeting) and the appointment of the proxy specifies the way the proxy is to vote on the resolution; and
- that shareholder's proxy is either not recorded as attending the Meeting or does not vote on the resolution,

the Chair of the Meeting will, before voting on the resolution closes, be taken to have been appointed as the proxy for the shareholder for the purposes of voting on that resolution and must vote in accordance with the written direction of that shareholder.

All Shareholders will have the opportunity to ask questions at the meeting.

VOTING EXCLUSIONS

The Corporations Act 2001 (Cth) and the ASX Listing Rules require that certain persons must not vote *in favour of* certain resolutions, and the Company must disregard any votes cast *in favour of* any such resolution by certain persons, for the resolutions to be considered at the Meeting. These voting exclusions are described below.

For the purposes of these voting exclusions -

- (a) The **key management personnel for the Mastermyne consolidated group** are the Directors (whether executive or otherwise) of Mastermyne (including the Chairman) and other employees having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.
- (b) The Remuneration Report identifies the key management personnel for the Mastermyne consolidated group for the financial year ended 30 June 2021.
- (c) Their **closely related parties** are defined in the Corporations Act 2001 (Cth), and include certain of their family members, dependents and companies they control.
- (d) The Company will also apply these voting exclusions to persons appointed as attorney by an excluded shareholder to attend and vote at the Meeting under a power of attorney – on the basis that references to persons attending and voting as proxy are read as references to persons attending and voting as attorney and references to an instrument

under which the proxy is appointed are read as references to the power of attorney under which the attorney is appointed.

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

If the Chair of the Meeting is a shareholder's proxy, either by appointment or by default, and the shareholder does not provide voting directions on all or either of Resolutions 1 and 5, the Proxy Form expressly authorises the Chair of the Meeting to exercise the proxy in respect of those resolutions even though they are connected directly or indirectly with remuneration of a member or members of key management personnel for the Mastermyne consolidated group.

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed.

Any undirected proxies that default to the Chair of the Meeting in such circumstances will be voted under the authority given in the Proxy Form, including where a resolution is connected directly or indirectly with remuneration of a member or members of key management personnel for the Mastermyne consolidated group.

Resolution 1 – Adopt Remuneration Report

Except to the extent otherwise permitted by law, the following persons may not vote ***in favour of*** Resolution 1, and the Company will disregard any vote cast ***in favour of*** Resolution 1 (personally or as proxy or attorney) by or on behalf of the following persons:

- (a) A member of the key management personnel for the Mastermyne consolidated group whose remuneration details are included in the Remuneration Report, or a closely related party of any such member, save where it is cast by:
 - (i) a person as proxy or attorney for another 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;
 - (ii) 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 given to the Chair to vote on the resolution as the Chair decides; or
 - (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - A. the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting, on the resolution; and
 - B. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
- (b) A member of the key management personnel for the Mastermyne consolidated group whose remuneration details are included in the Remuneration Report, or a closely related party of any such member, that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on Resolution 1, unless:
 - (i) the proxy is the Chair of the meeting at which Resolution 1 is voted on; and
 - (ii) the proxy appointment expressly authorises the Chair to exercise the proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the key management personnel for the Mastermyne consolidated group.

Resolution 4 – Approve proposed issue of PYBAR Consideration Shares to PYBAR Sellers

The Company will disregard any votes cast on Resolution 4 by a person (or any associate of a person) who:

- is a PYBAR Seller; or
- will obtain a material benefit as a result of the proposed issue of the PYBAR Consideration Shares, except a benefit solely by reason of being a holder of ordinary securities in the Company, if Resolution 4 is passed.

However, the Company will not disregard a vote on Resolution 4 if it is cast by:

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

Resolution 5 – Approve proposed issue of Performance Rights to Managing Director Mr Tony Caruso or his nominee

The Company will disregard any votes cast *in favour of* Resolution 5 by:

- Mr Tony Caruso and his associates.
- Any other Director of the Company who is eligible to participate in any employee incentive scheme in relation to the Company and their associates.
- Any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote *in favour of* Resolution 5 if it is cast by:

- (i) a person as proxy or attorney for another 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;
- (ii) 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 given to the Chair to vote on the resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- A. the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting, on the resolution; and
- B. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will also disregard any votes cast ***in favour of*** Resolution 5 by a member of the key management personnel for the Mastermyne consolidated group, or a closely related party of any such member, that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on Resolution 5, unless:

- (i.) the proxy is the Chair of the meeting at which Resolution 5 is voted on; and
- (ii.) the proxy appointment expressly authorises the Chair to exercise the proxy even though Resolution 5 is connected directly or indirectly with the remuneration of a member of the key management personnel for the Mastermyne consolidated group.

Resolution 6 – Approve Additional 10% Placement Capacity

The Company will disregard any votes cast on Resolution 6 by a person (or any associate of a person) who:

- is expected to participate in a proposed issue under the Additional 10% Placement Capacity; or
- will obtain a material benefit as a result of a proposed issue under the Additional 10% Placement Capacity, except a benefit solely by reason of being a holder of ordinary securities in the Company, if Resolution 6 is passed.

However, the Company will not disregard a vote on Resolution 6 if it is cast by:

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

At the date of this Notice, it is not known who will participate in the proposed issue of Equity Securities the subject of this special resolution and the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing shareholder votes will be excluded under the voting exclusion for Resolution 6 in this Notice.

ATTENDING THE MEETING

To facilitate Shareholder participation in the Meeting, the Board has determined that Shareholders and Proxyholders can choose between attending at the Meeting venue or attending the Meeting electronically through the online platform at <https://agmlive.link/MYE21> provided by the Company's share registry, Link Market Services.

Attending online

The Meeting will be viewable online from computers with access to the internet. Shareholders can register attendance and participate in the Meeting via computer by entering the URL for the online platform in their browser: <https://agmlive.link/MYE21>

A Shareholder or Proxyholder wishing to participate and vote online should log into the online platform at least 15 minutes prior to the scheduled start time for the Meeting using these instructions:

- Enter <https://agmlive.link/MYE21> into a web browser on their computer or online device.
- Shareholders must enter the **Holder Identifier** (*Securityholder Reference Number (SRN)* or *Holder Identification Number (HIN)*) and postcode or country code registered for their shareholding as shown on their Shareholder Voting Form or Holding Statement.
- For those Shareholders who wish to ask a question or make a comment at the Meeting orally rather than via the online AGM platform, a questions and comments phone line will be available during the AGM. To utilise the questions and comments phone line, please call Link Market Services on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) by 11:00am (Queensland time) on Sunday 31 October 2021, to register your participation and obtain your phone PIN. Further guidance on how to join the AGM online or access the phone question and comments facility, please refer to the Online Guide on the Company's website.
- Proxyholders must enter their Proxy Code which Link Market Services will provide via email no later than 24 hours prior to the Meeting.

Further information on how to participate virtually is set out in the Online Platform Guide at <https://www.mastermyne.com.au/news/investors/asx-announcements/>

Attending at the Meeting venue

Shareholders who attend at the Meeting venue should present their personalised Shareholder Voting Form on arrival to register their attendance at the Meeting. A Shareholder that does not present their Voting Form at registration prior to the Meeting will still be able to register and attend the Meeting if they verify their identity and eligibility in some other way acceptable to the Company.

Registration at the venue will commence from 10:30am (Queensland time) on the day of the Meeting.

The Company may be required to restrict the number of persons, including Shareholders, that are permitted to enter the venue under social distancing requirements in force at the time of the Meeting.

Technical difficulties when attending online

Technical difficulties may arise online during the course of the Meeting. The Chair of the Meeting has discretion as to whether and how the Meeting should proceed online in the event that a technical difficulty arises. In exercising such discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where the Chair considers it appropriate, the Company may continue to hold the Meeting and transact business online, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, even if they plan to attend the Meeting online, Shareholders are encouraged to submit either a direct vote or a proxy vote *ahead of the meeting*, as early as possible, and in any event before 11:00am (Queensland time) Sunday 31 October 2021, so that their vote will still be counted if for any reason they cannot attend.

Proxies

A Shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote on behalf of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy, that body corporate must ensure that:

- it appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- it provides satisfactory evidence to the Company's share registry of the appointment of its corporate representative.

If such evidence is not received at least 48 hours before the Meeting, ie by 11:00am (Queensland time) Sunday 31 October 2021, then the body corporate (through its representative) will not be permitted to act as a proxy.

VOTING

Shareholders can vote in one of six ways:

1. by lodging a direct vote electronically online *before the Meeting*;
2. by lodging a direct vote *before the Meeting* using the Shareholder Voting Form that accompanies this Notice of Meeting;
3. by appointing a proxy *before the Meeting* to attend and vote on their behalf at the Meeting (with or without voting instructions) using the Shareholder Voting Form that accompanies this Notice of Meeting;
4. by appointing such a proxy electronically online (with or without voting instructions) *before the Meeting*; or
5. by attending and voting *at the Meeting*, online via the electronic meeting platform; or
6. by attending and voting *at the Meeting*, at the physical venue, either in person or by attorney or (if a corporate shareholder) corporate representative.

If using the Shareholder Voting Form:

- A. A Shareholder using their Shareholder Voting Form for **direct voting** must mark the **Option A** box in Step 1 on the form, and is taken to agree to be bound by the direct voting rules adopted by the Board. A copy of the Mastermyne Group Limited Rules for Direct Voting at General Meetings is available under the "Investors" tab at www.mastermyne.com.au.

- B. A Shareholder using their Shareholder Voting Form to **appoint a proxy** must mark the **Option B** box in Step 1 on the form, choose the person they appoint as proxy, and choose whether (or not) to give their proxy voting directions. Shareholders who appoint the Chair of the Meeting as their proxy are advised that the Chair intends to vote undirected proxies in favour of all resolutions in the Notice of Meeting.

Voting Options 1 & 2: Direct vote before the Meeting

Shareholders can vote directly on the resolutions at the Meeting at any time from the date of this Notice of Meeting until 11:00am (Queensland time) on Sunday 31 October 2021.

A Shareholder who lodges a direct vote is voting directly and not appointing a third party, such as a proxy, to attend and vote on their behalf.

Shareholders can lodge a direct vote before the Meeting by voting online *or* by completing and lodging their Shareholder Voting Form (with **Option A** in Step 1 selected).

1. Direct Vote Online

Shareholders can lodge direct votes online by visiting the Company's share registry website at www.linkmarketservices.com.au, going to the *Online Voting* page and following the prompts and instructions. To use the online direct voting facility, shareholders will need the **Holder Identifier** (*Security holder Reference Number (SRN)* or *Holder Identification Number (HIN)*) and postcode or country code registered for their shareholding as shown on their Shareholder Voting Form or Holding Statement.

Timing: For online direct votes to be effective, electronic lodgement must be complete by 11:00am (Queensland time) on Sunday 31 October 2021, or if the Meeting is adjourned, at least 48 hours before its resumption in relation to the adjourned part of the Meeting.

2. Direct Vote by Shareholder Voting Form

Alternatively, shareholders can lodge direct votes by completing and lodging their Shareholder Voting Form (with **Option A** in Step 1 selected). They must follow the instructions and notes on the Form and should read the Mastermyne Group Limited Rules for Direct Voting at General Meetings which are available at <https://www.mastermyne.com.au/news/investors/corporate-governance/>.

The Shareholder Voting Form may be lodged with the Company by:

delivery to:	Link Market Services Limited Level 12, 680 George Street, Sydney NSW 2000
or to:	the Company's registered office Level 1, 45 River Street, Mackay Qld 4740
mail to:	Mastermyne Group Limited c/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
fax to:	+61 2 9287 0309

Timing: For direct votes to be effective, the Shareholder Voting Form must be received by the Company's share registry by no later than 11:00am (Queensland time) on Sunday 31 October 2021, or if the Meeting is adjourned, at least 48 hours before its resumption in relation to the adjourned part of the Meeting. A Shareholder Voting Form received after this time will be invalid.

Voting Options 3 & 4: Voting by Proxy before the Meeting

Shareholders can appoint (and direct) a proxy before the Meeting either online or by completing and lodging their Shareholder Voting Form (with **Option B** in Step 1 selected).

A shareholder who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote for them. A proxy need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes, that shareholder may appoint up to two proxies to attend and vote on the shareholder's behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half. Fractions of votes will be disregarded. However, if both proxies are present at the Meeting, neither may vote on a show of hands.

3. Proxy Vote Online

A shareholder can appoint a proxy online by visiting the Company's share registry website at www.linkmarketservices.com.au, going to the *Online Voting* page and following the prompts and instructions. To use the online appointment facility, shareholders will need the **Holder Identifier** (*Security holder Reference Number* (SRN) or *Holder Identification Number* (HIN)) and postcode or country code registered for their shareholding as shown on their Shareholder Voting Form or Holding Statement.

Timing: For online appointment of a proxy to be effective, the appointment must be complete by 11:00 am (Queensland time) on Sunday 31 October 2021, or if the Meeting is adjourned, at least 48 hours before its resumption in relation to the adjourned part of the Meeting.

4. Proxy Vote by Shareholder Voting Form

Alternatively, a shareholder can appoint (and direct) a proxy by completing and lodging their Shareholder Voting Form before the Meeting with **Option B** in Step 1 selected.

Any shareholder who needs help with, or cannot locate, their Shareholder Voting Form is urged to contact Link Market Services as early as possible.

Shareholder Voting Forms will be supplied by the Company's share registry (Link Market Services) on request.

The Shareholder Voting Form must be signed by the shareholder or their attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act 2001 (Cth) or other applicable corporate legislation. In the case of shares jointly held by two or more persons, all joint holders must sign the Shareholder Voting Form.

Timing: For appointment of a proxy by Shareholder Voting Form to be effective, the completed Form must be received by the Company's share registry by no later than 11:00 am (Queensland time) on Sunday 31 October 2021, or if the Meeting is adjourned, at least 48 hours before its resumption in relation to the adjourned part of the Meeting. Shareholder Voting Forms received after this time will be invalid.

The Shareholder Voting Form may be given to the Company in any of the ways noted above.

Using powers of attorney

If a Shareholder has appointed one or more attorneys to attend and vote at the Meeting, or if the Shareholder Voting Form is signed by one or more attorneys, the power of attorney (or a certified copy of the power of attorney) must be received by the Company's share registry or the Company's registered office as set out above by no later than 11:00 am (Queensland time) on Sunday 31 October 2021, or if the Meeting is adjourned, at least 48 hours before its resumption in relation to the adjourned part of the Meeting, unless the power of attorney has been previously

lodged for notation with the Company's share registry. The attorney(s) must declare that no notice of revocation of appointment has been received.

Revocation of proxies

A revocation of any proxy (including an online proxy) or power of attorney must be received by the Company's share registry or the Company's registered office as set out above before commencement of the Meeting, or at the registration desk for the Meeting at the Company's Registered Office from 10:30 am (Queensland time) on the day of the Meeting until commencement of the Meeting.

Voting Options 5 & 6: attending and voting at the Meeting

Shareholders and Proxyholders attending and participating in the Meeting through the online platform or at the Meeting venue will be able to view the Meeting live, lodge a direct vote in real time and ask questions in real time, including through the online platform.

5. Direct vote while attending the Meeting via the online meeting platform

Shareholders and Proxyholders attending the Meeting via Link Group's online platform at <https://agmlive.link/MYE21> will be able to vote directly through the online platform at any time from commencement of the Meeting (11:00am Queensland time on Tuesday 2 November 2021) until the close of voting as announced by the Chair during the Meeting.

To use the online platform, shareholders will need the **Holder Identifier** (*Security holder Reference Number* (SRN) or *Holder Identification Number* (HIN)) and postcode or country code registered for their shareholding as shown on their Shareholder Voting Form or Holding Statement.

Information about how to use the online platform (including how to vote and ask questions online during the Meeting) is set out in the Online Platform Guide, which has been lodged with ASX and is available at <https://www.mastermyne.com.au/news/investors/asx-announcements/>

Shareholders and Proxyholders intending to participate in the Meeting via the online platform should ensure before the Meeting that the online platform works on their computer or device. Further instructions are provided in the Online Platform Guide.

6. Voting while attending at the Meeting venue

Shareholders and Proxyholders attending the Meeting at the venue must register their attendance upon arrival and produce suitable identification.

Those who plan to attend the Meeting at the venue are asked to arrive there 15~30 minutes prior to the designated commencement time for the Meeting so that their shareholding or appointment can be checked against the share register, their identity verified and their attendance registered.

If Shares are held jointly, only one joint holder may vote. If more than one joint shareholder votes, only the vote of the first person named on the Company's shareholder register counts.

If a shareholder that is a body corporate wishes to attend and vote at the Meeting venue, it must appoint an individual to attend and vote as its representative. The representative must bring to the Meeting a letter or certificate evidencing their appointment unless it has previously been provided to the Company or its share registry. A form of certificate of appointment may be obtained from the Company's share registry at <http://www.linkmarketservices.com.au/corporate/InvestorServices/Forms.html> or from the address set out above.

QUESTIONS OR COMMENTS FOR THE DIRECTORS OR THE AUDITOR

Shareholders who do not attend the Meeting or who prefer to register questions or comments for the Directors or the Auditor in advance of the Meeting can submit their questions or comments either by submitting their questions online via the Company's share registry or submitting the Question Form that accompanies this Notice of Meeting.

To submit questions online Shareholders must:

- login via www.linkmarketservices.com.au by entering details of their shareholding,
- then select *Voting*, and
- then select *Ask a Question*.

To allow time to collate questions and prepare answers, it is requested that questions be submitted by 5:00pm (Queensland time) on Tuesday 26 October 2021.

Questions will be collated and the Chair will seek to address as many as possible of the more frequently raised topics during the Meeting. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to Shareholders.

EXPLANATORY STATEMENT

This Explanatory Statement is intended to assist shareholders of Mastermyne Group Limited (**Company** or **Mastermyne**) to better understand the resolutions to be put before shareholders at the Company's Annual General Meeting (**AGM** or **Meeting**) to be held on Tuesday 2 November 2021.

Item 1 – Present Annual Financial Report

The Corporations Act 2001 (*Cth*) (**Corporations Act**) requires the Directors to present to the AGM the Directors' report, the Auditor's report and the financial report (which are part of the **Annual Financial Report**) for the financial year ended 30 June 2021.

Apart from Resolution 1, for adoption of the Remuneration Report, no shareholder resolution is required, and no shareholder resolution is proposed, in respect of the Annual Financial Report, but Item 1 will allow shareholders a reasonable opportunity to ask questions or make statements at the Meeting about the Annual Financial Report, the audit and Company management.

The Annual Financial Report will be tabled and discussed at the AGM and the Directors will be available to answer questions from shareholders. In addition, a representative of the Company's auditors, Pitcher Partners, will be present to answer any questions about the conduct of the audit or the preparation and content of the auditor's report.

The Company's Annual Financial Report for the financial year ended 30 June 2021 has been sent to shareholders who requested a copy and is available on the Company's website at www.mastermyne.com.au

Resolution 1 - Adopt Remuneration Report

The Corporations Act requires that the section of the Directors' Report dealing with the remuneration of key management personnel including the Directors (**Remuneration Report**) be put to shareholders for consideration and adoption by way of a non-binding ordinary resolution.

The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each director of the Company; and
- details and explains any performance conditions applicable to remuneration of executive directors and senior executives of the Company.

A reasonable opportunity will be provided at the AGM for Shareholders to ask questions about or make comments on the Remuneration Report.

The vote on Resolution 1 is advisory only and the outcome will not be binding on the Board or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Under the Corporations Act, if 25% or more of votes cast on the resolution to adopt the Remuneration Report are cast against the resolution at two consecutive Annual General Meetings, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (**Spill Resolution**) that another general meeting (**Spill Meeting**) be held within 90 days. The Spill Resolution will be passed if more than 50% of the votes cast on the resolution are in favour of it.

If the Spill Resolution is passed, all of the Directors (other than the Managing Director who, under ASX Listing Rules, is not subject to retirement by rotation and continues to hold office indefinitely without a requirement for re-election) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The resolution to adopt the Remuneration Report for the financial year ended 30 June 2020 was passed at the Company's last Annual General Meeting held on 17 November 2020.

Recommendation: As Resolution 1 relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, makes no recommendation in relation to this resolution.

Resolution 2 – Re-elect Mr Gabe Meena as Director

ASX Listing Rule (LR) 14.4 and Article 47(a) of the Company's Constitution require Directors to retire no later than 3 years after their last election or appointment or at the third AGM following their last election or appointment, whichever is the longer. LR 14.5 and Article 47(b) require an election of Directors each year.

In accordance with those requirements Mr Gabe Meena and Ms Julie Whitcombe retire from office by rotation, having both been last elected at the Company's 2018 annual general meeting, and stand for re-election as Non-Executive Directors.

Gabe Meena

Mr Meena was appointed a Non-Executive Director of the Company on 15 September 2015. Mr Meena brings to the Company over 30 years experience in the steel, mining and stevedoring industry covering operations, maintenance and engineering. Gabe held senior operational and management roles with Bluescope Steel as General Manager Mills and Coating, Bluescope Steel China as President China Coated and BHP Collieries as General Manager of a number of coal mines. Gabe's most recent role was General Manager Operations with Patrick Terminals.

Mr Meena is a member of the Audit and Risk Management Committee and Chair of the Remuneration and Nomination Committee.

Recommendation: The Board (with Mr Meena abstaining) unanimously recommends the re-election of Mr Meena as a Director of the Company and that shareholders vote in favour of Resolution 2 for this purpose.

Resolution 3 – Re-elect Ms Julie Whitcombe as Director

Ms Whitcombe was appointed a Non-Executive Director of the Company on 7 June 2018. Ms Whitcombe brings to the Company over 16 years of experience across financial, strategic and operational roles, with a focus throughout her career on the resources sector. Julie is currently General Manager Strategy and Development for CleanCo, a Government Owned Corporation focused on the development and supply of firm renewable energy for Queensland customers. Prior to her current role, Julie held various leadership roles including Chief Executive Officer of RDO Australia Group, an industrial and agricultural equipment dealer, and nine years on the executive team of Senex Energy, an Australian oil and gas explorer and developer. Julie holds a first-class honours degree in Mining Engineering and a Chartered Accountant qualification gained during seven years with global professional services firm PricewaterhouseCoopers in the UK and Australia.

Ms Whitcombe is the Chair of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committee.

Recommendation: The Board (with Ms Whitcombe abstaining) unanimously recommends the re-election of Ms Whitcombe as a Director of the Company and that shareholders vote in favour of Resolution 3 for this purpose.

Resolution 4 – Approve proposed issue of PYBAR Consideration Shares to PYBAR Sellers

PYBAR Acquisition

On 7 September 2021, the Company announced that it had entered into an agreement (**Share Purchase Agreement**) to acquire 100% of the shares on issue in PYBAR Holdings Pty Limited which in turn owns all the issued share capital in PYBAR Mining Services Pty Ltd (**PYBAR**) for cash and scrip consideration (**PYBAR Acquisition**).

The PYBAR Acquisition implies an enterprise value of approximately \$99.0 million for PYBAR, and an expected equity purchase price of approximately \$47 million once debt items are considered.¹

The consideration payable by the Company to acquire those shares consists of:

- cash consideration of \$23.5 million (with 50% payable on completion of the transaction and the remaining 50% due on the first anniversary of the transaction completion); and
- scrip consideration of 23,209,325 fully paid ordinary shares in the Company (**PYBAR Consideration Shares**) to be issued to the sellers of the shares in PYBAR Holdings Pty Limited and an associated entity of the sellers (as named in Annexure "B" and together defined in this Explanatory Statement as the **PYBAR Sellers**).

The material terms and conditions of the PYBAR Acquisition and the Share Purchase Agreement are set out in the Company's announcement dated 7 September 2021 and are also set out in Annexure "B" to this Explanatory Statement.

Resolution 4 seeks shareholder approval pursuant to and in accordance with Listing Rule 7.1 for the Company to issue to the PYBAR Sellers the PYBAR Consideration Shares.

Resolution 4 is an ordinary resolution.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to specified exceptions set out in Listing Rule 7.2, a company must not, without the approval of its holders of ordinary securities, 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 or issued during that 12 month period with Shareholder approval or under Listing Rule 7.2 exceptions.

The proposed issue of the PYBAR Consideration Shares does not fall within any of the specified exceptions set out in Listing Rule 7.2. Accordingly the effect of passing Resolution 4 will be to allow the Company to issue the PYBAR Consideration Shares, and issue the PYBAR Consideration Shares without using the Company's 15% annual placement capacity.

If Resolution 4 is passed, the issue of the PYBAR Consideration Shares may proceed. Once issued, the PYBAR Consideration Shares will be added to the base number of fully paid ordinary securities on issue when calculating the Company's annual 15% placement capacity under Listing Rule 7.1 and when calculating any additional 10% placement capacity approved under Listing Rule 7.1A. This will effectively increase the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period starting from the date of issue of the PYBAR Consideration Shares.

The PYBAR Acquisition is conditional upon the Company obtaining shareholder approval for the issue of the PYBAR Consideration Shares. If Resolution 4 is not passed, then the Company

¹ This is an estimate only, with the final value subject to various adjustments post completion. An estimated \$52 million in incremental PYBAR equipment finance facilities is to be assumed on completion.

will not be able to proceed with the issue of the PYBAR Consideration Shares and the PYBAR Acquisition may not proceed.

Information required by Listing Rule 7.3

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

- The PYBAR Consideration Shares will be issued to the PYBAR Sellers as set out in Annexure "B" to this Explanatory Statement.
- A total of 23,209,325 fully paid ordinary shares in the Company will be issued.
- The PYBAR Consideration Shares will rank equally with the existing shares on issue, provided that the PYBAR Consideration Shares will not carry any rights to be paid the dividend relating to the financial year ended 30 June 2021.
- The PYBAR Consideration Shares will be issued on completion of the PYBAR Acquisition which is to occur no later than 3 months after the Meeting.
- The PYBAR Consideration Shares are being issued to the PYBAR Sellers as partial consideration for the PYBAR Acquisition and in accordance with the Share Purchase Agreement. The number of PYBAR Consideration Shares has been calculated as set out in Annexure "B".
- A summary of the material terms of the Share Purchase Agreement is set out in Annexure "B" to this Explanatory Statement.
- The PYBAR Consideration Shares are not being issued under, or to fund, a reverse takeover.
- A voting exclusion statement is included in this Notice of Meeting for Resolution 4.

Recommendation: The Board unanimously recommends the issue of the PYBAR Consideration Shares to the PYBAR Sellers and that shareholders vote in favour of Resolution 4 for this purpose.

Resolution 5 – Approve proposed issue of Performance Rights to Managing Director Mr Tony Caruso or his nominee

The Company has agreed to issue **Performance Rights** under the Mastermyne Group Limited 2015 Employee Performance Rights Plan (**Plan**) to the Company's Managing Director, Mr Caruso, or his nominee, subject to shareholder approval. The Plan is an employee incentive scheme under the ASX Listing Rules.

Performance Rights are rights to receive ordinary Shares in the Company, subject to satisfaction of vesting conditions including performance conditions.

Under ASX Listing Rule (**LR**) 10.14, the Company must seek shareholder approval to issue securities to a Director under an employee incentive scheme.

Accordingly shareholder approval for the issue of Performance Rights to Mr Caruso or his nominee is sought for all purposes, including under LR 10.14.

If shareholder approval is given under LR 10.14, the issue of equity securities to the Director will:

- not require separate approval under LR 10.11 – prohibition on issue of equity securities to a related party ie a director (due to exception 8 in LR 10.12);
- not count towards the Company's 15% Placement Capacity or require separate approval under listing rule 7.1 (due to exception 14 in LR 7.2); and

- not count towards the Company's Additional 10% Placement Capacity or require separate approval under listing rule 7.1A (due to exception 14 in LR 7.2).

The proposed issue is in accordance with the Mastermyne Group Limited 2015 Employee Performance Rights Plan rules (which are available at www.mastermyne.com.au under the "Investors" tab) and the specific offer to Mr Caruso is summarised below.

The proposed issue of Performance Rights to Mr Caruso detailed in this Notice of Meeting and Explanatory Statement forms, in the opinion of the other Directors of the Company, part of the reasonable remuneration of Mr Caruso by the Company.

Full details of Mr Caruso's awarded remuneration for the 2021 financial year are disclosed in the 2021 Remuneration Report. For the purposes of LR 10.15.4, Mr Caruso's remuneration for the current (2022) financial year consists of:

- fixed remuneration of \$492,530; plus
- a short-term incentive (STI) opportunity of 75% of the \$448,968 cash salary component of his fixed remuneration (payable in cash, subject to achievement of STI metrics aligned with the Company's strategic objectives, with specific financial and non-financial measures for individual performance, group performance and the Company's underlying performance, with the ability to achieve up to 150% of the allocated STI opportunity amount based on achievement of stretch metrics); plus
- a maximum long term incentive (LTI) opportunity of up to 75% of his \$492,530 fixed remuneration (to be represented by the 385,995 FY 2022 Performance Rights with a face value of \$369,398 to be issued subject to the vesting conditions, including performance conditions, disclosed in this Explanatory Statement).

If shareholders do not approve the proposed issue of FY 2022 Performance Rights to Mr Caruso under Resolution 5, the proposed issue will not proceed. This may impact the Company's ability to incentivise the Managing Director and align his interests with the interests of shareholders and with the remuneration arrangements of the Company's other executives. In this instance, the Board may need to consider an alternative remuneration arrangement which may not be consistent with the Company's remuneration principles, such as a cash payment.

Table 5.1 provides additional information that is required under LR 10.15 for the purpose of Resolution 5.

Table 5.1	Information required under ASX LR 10.15
Eligible Participant	<p>The Company's Managing Director, Mr Tony Caruso, or his nominee.</p> <p>For the purposes of LR 10.15.2:</p> <ul style="list-style-type: none"> Mr Caruso is a director of the Company (LR 10.14.1); and a nominee of Mr Caruso is an associate of a person referred to in LR 10.14.1 (LR 10.14.2).
Type of Securities	FY 2022 Performance Rights (PRs) to be issued under the Plan – each being a right, subject to vesting, to receive 1 fully paid ordinary Share in Mastermyne Group Limited ACN 142 490 579.
Plan	Mastermyne Group Limited Employee Performance Rights Plan.
Numbers of Rights Granted Subject to Shareholder Approval	385,995
Amount payable for the Rights	No payment or other consideration will be sought for grant or issue of the PRs (on the basis their grant represents an incentive for future performance), but vesting of the PRs will be subject to satisfaction of the vesting conditions.
Why PRs?	<p>PRs are used under the Plan:</p> <ul style="list-style-type: none"> to offer long-term incentives to employees; with the aim of aligning rewards for performance with the achievement of the Company's growth and strategic objectives.
Value the Company attributes to PRs	The Performance Rights are to be issued based on the Volume Weighted Average Price of Mastermyne shares from 1 July 2021 to 10 September 2021 (\$0.9570)
Issue Date of Rights	The PRs will be issued no later than 30 November 2021 but Time of Grant will be 1 October 2021.
Term of the Rights	Unless they have lapsed, PRs vest when the vesting conditions have been met. If the vesting conditions have been met the PRs will vest on 1 October 2024 (Test Date).
Vesting of Rights	Vesting of the PRs will be subject to achievement of the vesting conditions set out below and the eligible participant being employed at the vesting date.
Vesting Conditions	<p>The PRs will vest on the Test Date, subject to the below four Vesting Conditions being met:</p> <ol style="list-style-type: none"> Vesting Condition 1: The main Vesting Condition is that you need to still be employed within the Group on the Test Date. If you have ceased employment with the Group prior to the Test Date, the PRs will lapse unless the Board at its absolute discretion determines otherwise. Vesting Condition 2: Vesting is also conditional on your continuing sound moral and socially responsible conduct, and the execution of your duties in the best interests of Mastermyne. If it is deemed that you have breached these obligations to Mastermyne, the Board at its discretion may determine that some or all of the PRs will lapse.

	<p>3. Vesting Condition 3: If Vesting Conditions 1 & 2 are achieved there are two further Vesting Conditions that will each be applied independently to 50% of the PRs. Both of these Vesting Conditions depend on Mastermyne's TSR percentile rank during the TSR measurement period and the Earnings per Share (EPS) performance over the measurement period:</p> <ul style="list-style-type: none"> a. Tranche A: 50% of the PRs will be conditional on the Company's TSR rank relative to companies in the ASX Small Ordinaries Index; b. Tranche B: 50% of the PRs will be conditional on the Company's EPS performance. <p>For each tranche, the percentage of PRs which will vest will be as specified in the tables below.</p> <table border="1" data-bbox="655 656 1497 1012"> <tr> <th>TSR Rank during TSR measurement period</th><th>Percentage of Tranche A PRs vesting</th></tr> <tr> <td>Below 50th percentile of the ASX Small Ordinaries Index</td><td>0%</td></tr> <tr> <td>50th percentile to 75th percentile of the ASX Small Ordinaries Index</td><td>50% plus 2% for each percentile above 50th percentile</td></tr> <tr> <td>Above 75th percentile of the ASX Small Ordinaries Index</td><td>100%</td></tr> </table> <table border="1" data-bbox="655 1057 1497 1386"> <tr> <th>EPS Performance during EPS measurement period</th><th>Percentage of Tranche B PRs vesting</th></tr> <tr> <td>EPS growth at <6% per annum</td><td>0%</td></tr> <tr> <td>EPS growth between 6% and 12% per annum</td><td>0% to 100% pro rata</td></tr> <tr> <td>EPS growth at >12% per annum</td><td>100%</td></tr> </table>	TSR Rank during TSR measurement period	Percentage of Tranche A PRs vesting	Below 50th percentile of the ASX Small Ordinaries Index	0%	50th percentile to 75th percentile of the ASX Small Ordinaries Index	50% plus 2% for each percentile above 50th percentile	Above 75th percentile of the ASX Small Ordinaries Index	100%	EPS Performance during EPS measurement period	Percentage of Tranche B PRs vesting	EPS growth at <6% per annum	0%	EPS growth between 6% and 12% per annum	0% to 100% pro rata	EPS growth at >12% per annum	100%
TSR Rank during TSR measurement period	Percentage of Tranche A PRs vesting																
Below 50th percentile of the ASX Small Ordinaries Index	0%																
50th percentile to 75th percentile of the ASX Small Ordinaries Index	50% plus 2% for each percentile above 50th percentile																
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EPS Performance during EPS measurement period	Percentage of Tranche B PRs vesting																
EPS growth at <6% per annum	0%																
EPS growth between 6% and 12% per annum	0% to 100% pro rata																
EPS growth at >12% per annum	100%																
<p>Total Shareholder Return (TSR) & Earnings Per Share (EPS)</p>	<p>TSR or total shareholder return is the Board's measurement of the entire return a shareholder would obtain from holding an entity's securities over a period, taking into account factors such as changes in the market value of the securities and dividends paid over that period.</p> <p>The vesting condition compares and ranks Mastermyne's TSR against the TSR of the entities in the ASX Small Ordinaries Index.</p> <p>To determine Mastermyne's rank in the ASX Small Ordinaries Index on the Test Date, the Board will:</p> <ol style="list-style-type: none"> 1. Determine the TSR from the Time of Grant to the Test Date for Mastermyne and each member of the ASX Small Ordinaries Index. This will involve assessing changes in the market value of the Shares in Mastermyne and the members of the ASX Small Ordinaries Index from the Time of Grant to the Test Date. For this purpose: 																

	<ol style="list-style-type: none"> a. the market value of the Shares on the Time of Grant will be determined by reference to the average of the daily volume weighted average prices on the ASX in the period of one month (or such other period of not less than one trading day determined by the Board) preceding the Time of Grant; and b. the market value of Shares on the Test Date will be determined by reference to the average of the daily volume weighted average trading prices on ASX in the period of one month (or such other period of not less than one trading day determined by the Board) up to and including the Test Date; and <p>2. Rank Mastermyne and the members of the ASX Small Ordinaries Index by reference to each entity's TSR on a percentile scale, with the entity with the highest TSR at that day ranked at 100. The rank for the Test Date is the position of Mastermyne on that percentile scale.</p> <p>The EPS performance measure is designed to ensure that the quality of share price growth is supported by Group's performance, not market buoyancy alone. For this reason, the Board considers that it is appropriate to set a minimum level of operating performance, and that the EPS growth measure is an appropriate measure for this purpose.</p> <p>EPS performance is calculated by dividing the net profit after tax for the group for the relevant reporting period by the weighted average number of ordinary shares on issue in the Company over the relevant reporting period.</p>
TSR and EPS Measurement Period	<p>TSR: Commencing on 1 October 2021 for 3 years ending on 1 October 2024.</p> <p>EPS: Financial reporting periods commencing on 1 July 2021 for 3 years to 30 June 2024.</p>
Dealing Restrictions	PRs may not be sold to someone else. However, Shares received as a result of the vesting of PRs can be transferred or sold, subject to complying with laws regarding insider trading and the Mastermyne Securities Trading Policy.
Automatic Vesting	An Eligible Participant will automatically receive, without further consideration or payment, one Share for each PR that has vested and has not lapsed.
Termination of Employment	The Board will determine the extent, if any, to which unvested PRs will vest. Subject to the terms set out above, any PRs that do not vest will lapse.
Change of Control	<p>If a change of control occurs, the Board has certain discretions under the EPRP in determining how Performance Rights will be dealt with. If a change of control occurs:</p> <ol style="list-style-type: none"> a. a pro rata proportion of unvested PRs will be considered by the Board for early vesting; and b. the Board will determine, having regard to the vesting conditions and its ability to estimate whether the vesting conditions would have been satisfied in full or not, how many (if any) of those unvested PRs will vest.
Bonus Issues and Capital Reconstructions	In the event of a pro rata bonus issue of Company Shares or any reorganisation of the issued capital of the Company, the number of Shares the subject of the PRs will be adjusted as determined

	by the Board to ensure that no advantage or disadvantage accrues to holders of PRs from such actions.
Directors Eligible to Participate	Mr Caruso is the only Director currently eligible to participate in the Plan.
Number of securities previously issued to Mr Caruso or nominee under the Plan and average acquisition price (if any) paid for those securities	<p>Since the 2015 AGM the Company has issued 1,651,382 unquoted PRs to Mr Caruso or his nominee under the Plan, covering different periods, prices and hurdles and with vesting dates up to 1 October 2023.</p> <p>In respect of those securities:</p> <ul style="list-style-type: none"> • No payment or other consideration was sought for the grant or issue of the PRs, but all PRs were issued subject to satisfaction of vesting conditions. • All PRs were issued with shareholder approval. • All PRs were issued with a nil exercise price upon vesting. • 962,012 of the PRs have vested and have been exercised. • 689,370 of the PRs remain on issue subject to vesting.
Material terms	A summary of the material terms of the Plan is set out in "Annexure A" to this Explanatory Statement.
No loans	No loans will be granted to Mr Caruso in relation to his participation in the Plan.
Other information	<p>Details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they are issued, along with a statement that approval for the issue was obtained under listing rule 10.14.</p> <p>Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolution 5 is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.</p>
Voting exclusion statement	A voting exclusion statement is included in this Notice of Meeting.

Recommendation: The Board (with Mr Caruso abstaining) believes that the proposed issue of Performance Rights to Mr Caruso or his nominee is in the best interests of the Company and unanimously recommends that shareholders vote in favour of Resolution 5.

Resolution 6 – Approve Additional 10% Placement Capacity under LR 7.1A

a) 15% Placement Capacity

ASX Listing Rule (**LR**) 7.1 sets an aggregate limit on the number of equity securities a listed entity can issue over any 12 month period without security holder approval. This limit, broadly equivalent to 15% of the entity's fully paid ordinary issued capital, is often referred to as the entity's **15% Placement Capacity**. The 15% Placement Capacity under LR 7.1 is available to all listed entities, and is automatically replenished every 12 months on a rolling basis. There are no conditions on the type of equity securities that can be issued under a listed entity's 15% Placement Capacity or the price at which they can be issued.

b) Additional 10% Placement Capacity

LR 7.1 operates subject to LR 7.1A, which was introduced in 2012 to make it easier for small to mid-cap entities to raise additional equity capital. LR 7.1A allows an eligible entity to obtain at its annual general meeting (**AGM**) shareholder approval by special resolution (**LR 7.1A Mandate**) to have additional placement capacity broadly equivalent to 10% of its fully paid ordinary issued capital (**Additional 10% Placement Capacity**).

c) LR 7.1A Mandate

By comparison to 15% Placement Capacity under LR 7.1, Additional 10% Placement Capacity is only available to an eligible entity with an LR 7.1A Mandate.

The LR 7.1 Mandate expires on the first to occur of:

- a) The date that is 12 months after the date of the AGM at which the approval is obtained.
- b) The time and date of the entity's next AGM.
- c) The time and date of security holder approval of a transaction under LR 11.1.2 (significant change in the nature or scale of activities) or 11.2 (disposal of main undertaking).

There are also constraints on the type of equity securities that can be issued, the consideration for which they can be issued and the price at which they can be issued under an LR 7.1A Mandate.

d) Eligible entity

An entity is eligible for the purposes of LR 7.1A if the entity is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, based on the closing price of the entity's quoted securities on the securities trading day (**Trading Day**) before the AGM. For illustrative purposes only, it is noted that on 10 September 2021 the market capitalisation of the Company's 107,597,117 issued ordinary Shares is \$118,894,814 based on the Trading Price of \$1.105 at closing on that date. The Company is not included in the S&P/ASX300 Index on the date of this Notice of Meeting and the Company does not anticipate that it will be included in the S&P/ASX300 Index on the date of the AGM. On this basis, the Company anticipates being an eligible entity for the purposes of LR 7.1A on the date of the AGM.

e) Shareholder approval required

The Company seeks shareholder approval by special resolution for an LR 7.1A Mandate to issue equity securities under Additional 10% Placement Capacity. The number and issue price of equity securities to be issued under Additional 10% Placement Capacity will be determined in accordance with the formula prescribed in LR 7.1A.2 (see paragraphs f) & g) below).

As the Company continues to execute on its growth strategy it will actively pursue opportunities across both operating divisions of the business. The Company may rely on Additional 10% Placement Capacity to help in funding acquisition of new assets or investments to support the growth strategy by issuing Shares for cash consideration.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

f) Type of securities that may be issued and minimum issue price

Any equity securities issued under Additional 10% Placement Capacity must be:

- a) in the same class as an existing quoted class of equity securities of the Company; and
- b) issued for cash consideration per security which is not less than 75% of the volume weighted average market price (VWAP) for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:
 - i. the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
 - ii. if the securities are not issued within 10 trading days of the date in paragraph i), the date on which the securities are issued.

Table 6.1 provides details of the two classes of equity securities that the Company has on issue at the date of this Notice of Meeting, being ordinary Shares quoted on ASX and unquoted Performance Rights.

Table 6.1	
Type of Equity Security	Number on issue
Quoted Shares	107,597,117
Unquoted Performance Rights with a range of vesting conditions and vesting dates and maximum expiry date of 01/10/2023	1,889,172

A description of the Company's unquoted Performance Rights and a summary of the 2015 Employee Performance Rights Plan is set out in the sections of this Explanatory Statement dealing with Resolution 5 and Annexure "A" of this Explanatory Statement.

g) Formula for calculating Additional 10% Placement Capacity

An eligible entity that obtains shareholder approval for Additional 10% Placement Capacity at an AGM may issue or agree to issue equity securities under LR 7.1A.2 in the 12 month period after the AGM up to the number of equity securities calculated in accordance with the following formula:

(A x D) – E

A is the number of ordinary securities in the entity on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in LR 7.2 other than Exception 9, 16 or 17,
- (ii) plus the number of fully paid ordinary securities issued in the 12 months on conversion of convertible securities within LR 7.2 Exception 9 where:
 - (A) the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or
 - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under ASX Listing Rules to have been approved, under LR 7.1 or 7.4;
- (iii) plus the number of fully paid ordinary securities issued in the 12 months under an agreement to issue securities within LR 7.2 Exception 16 where:
 - (A) the agreement was entered into before the commencement of the 12 months; or
 - (B) the agreement or issue was approved, or taken under ASX Listing Rules to have been approved, under LR 7.1 or 7.4;
- (iv) plus the number of any other fully paid ordinary securities issued in the 12 months with approval under LR 7.1 or 7.4. This may include fully paid ordinary securities issued under LR 7.2 Exception 17 where the issue is subsequently approved under LR 7.1, as is proposed in Resolution 4;
- (v) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (vi) less the number of fully paid ordinary securities cancelled in the 12 months.

Note: 'A' has the same meaning in LR 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 LR 7.1A.2 in the 12 months before the date of the issue or agreement to issue where the issue or

agreement has not been subsequently approved by the holders of its ordinary securities under LR 7.4.

h) Interaction of Listing Rule 7.1 and Listing Rule 7.1A

Additional 10% Placement Capacity under LR 7.1A is in addition to the Company's 15% Placement Capacity under LR 7.1, so Resolution 6, if approved, will allow the Directors to issue equity securities under LR 7.1A during the 10% Placement Period without using the Company's 15% Placement Capacity under LR 7.1.

At the date of this Notice of Meeting, the Company has on issue 107,597,117 Shares and has capacity to issue:

- (a) 14,751,524 equity securities under its 15% Placement Capacity; and
- (b) 10,639,012 equity securities under its Additional 10% Placement Capacity approved at the Company's 2020 AGM.

If Resolution 4 is approved and the PYBAR Consideration Shares are issued, the Company will have on issue an additional 23,209,325 Shares issued with Shareholder approval and have capacity to issue:

- (a) an additional 3,481,399 equity securities under its 15% Placement Capacity; and
- (b) an additional 2,320,932 equity securities under its Additional 10% Placement Capacity if Resolution 6 is approved at the Meeting.

The actual number of equity securities that the Company will have capacity to issue under LR 7.1A, if Resolution 6 is approved, will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in LR 7.1A.2 (refer to paragraph g) above).

i) Potential Dilution

If Resolution 6 is approved by shareholders and the Company issues Shares under Additional 10% Placement Capacity, existing shareholders face a risk of voting power dilution and may face a risk of economic dilution.

Tables 6.2 and 6.3 present a range of scenarios illustrating potential economic dilution and the associated potential dilution of existing shareholders' voting power.

The risk of economic dilution to existing ordinary security holders includes:

- (a) the risk that the market price of the Company's Shares may be significantly lower on the date that Shares are issued, or agreed to be issued, under Additional 10% Placement Capacity, than it was on the date of the AGM; and
- (b) the risk that the Company may issue or agree to issue Shares under Additional 10% Placement Capacity at a discount to the market price of the Company's Shares on the date of issue (or agreement to issue).

For holders of Performance Rights, similar dilution may occur if their Performance Rights vest and they receive Shares.

The hypothetical scenarios in Tables 6.2 and 6.3 show an illustrative range of additional capital amounts that the Company would raise, and the associated potential dilution of existing shareholders, where:

- Table 6.2 scenarios - the number of new Shares issued under Additional 10% Placement Capacity is:
 - 10% of Variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) at the date of this Notice of Meeting (**Current Variable "A"**);
 - 10% of a Variable "A" which is 50% greater than Current Variable "A";
 - 10% of a Variable "A" which is 100% greater than Current Variable "A";

- Table 6.3 scenarios - the number of new Shares issued under Additional 10% Placement Capacity after the issue of the PYBAR Consideration Shares is:
 - 10% of a Variable "A" which consists of Current Variable "A" plus the PYBAR Consideration Shares (**Post-PYBAR Variable "A"**);
 - 10% of a Variable "A" which is 50% greater than Post-PYBAR Variable "A"; and
 - 10% of a Variable "A" which is 100% greater than Post-PYBAR Variable "A".
- In both tables, the Issue Price of new Shares issued under Additional 10% Placement Capacity is:
 - equal to the Share price at the date of this Notice of Meeting (**Current Share Price**, being \$1.105 per Share);
 - equal to a Share price that has fallen 50% below Current Share Price; and
 - equal to a Share price that has risen 100% above Current Share Price.

Table 6.2		potential dilution of existing Shares by new issue under Additional 10% Placement Capacity		
Number of Shares		Issue Price	Issue Price	Issue Price
Determined by Variable "A" in Listing Rule 7.1A.2		50% fall in Share Price	Current Share Price at 10/09/2021	100% rise in Share Price
		\$0.55	\$1.1051	\$2.21
Current Variable "A"	new Shares issued	10,759,711	10,759,711	10,759,711
107,597,117	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$5,944,740	\$11,889,481	\$23,778,961
50% increase in current Variable "A"	new Shares issued	16,139,567	16,139,567	16,139,567
161,395,675	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$8,917,111	\$17,834,222	\$35,688,443
100% increase in current Variable "A"	new Shares issued	21,519,423	21,519,423	21,519,423
215,194,234	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$11,889,481	\$23,778,962	\$47,557,925
Table 6.3		potential dilution of existing Shares by new issue under Additional 10% Placement Capacity after issue of the PYBAR Consideration Shares		

Post-PYBAR Variable "A"	new Shares issued	13,080,644	13,080,644	13,080,644
130,806,442	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$7,227,056	\$14,454,112	\$28,908,223
50% increase in Post-PYBAR Variable "A"	new Shares issued	19,620,966	19,620,966	19,620,966
196,209,663	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$10,840,584	\$21,681,167	\$43,362,335
100% increase in Post-PYBAR Variable "A"	new Shares issued	26,161,288	26,161,288	26,161,288
261,612,884	voting power dilution	10%	10%	10%
Shares	additional capital raised	\$14,454,112	\$28,908,223	\$57,816,446

Assumptions relevant to Tables 6.2 and 6.3:

- (1) Number of additional Shares issued under Listing Rule 7.1A at the date of issue is equal to 10% of the Company's existing Shares at the date of this Notice of Meeting (Table 6.2), or 10% of those existing Shares after the issue of the PYBAR Consideration Shares (Table 6.3).
- (2) No Options are exercised before the date of issue of additional Shares under Listing Rule 7.1A. The Company currently has no Options on issue other than the Performance Rights.
- (3) No Performance Rights vest and are exercised before date of issue of additional Shares under Listing Rule 7.1A. The Company currently has 1,889,172 Performance Rights on issue.
- (4) The 10% voting dilution reflects the aggregate percentage dilution of the Company's issued share capital at date of issue. This is why the voting dilution is shown in each example as 10%.
- (5) The dilution of any particular shareholder's voting power may vary from the aggregate percentage dilution if the shareholder participates in the issue of additional Shares under Additional 10% Placement Capacity.
- (6) The table shows only the effect of an issue of Shares under Additional 10% Placement Capacity, and does not attempt to show the effect of an issue of equity securities (which may be Shares or Performance Rights or other options) under the 15% Placement Capacity (as well or instead).
- (7) The three hypothetical Issue Price scenarios are based on the Current Share Price of \$1.105 being the closing price of Shares on ASX on 10 September 2021. The alternative scenarios are purely illustrative of an issue price range, and do

not reflect any other assumption such as the discount to market price of up to 25% at which Shares may be issued under Additional 10% Placement Capacity.

- (8) 'A' is either the current number of Shares on issue (Table 6.2) or the current number of Shares on issue after the issue of the PYBAR Consideration Shares (Table 6.3). In either case it is assumed that full placement capacity is available.

j) Potential purposes of Share issues under Additional 10% Placement Capacity

The Company may seek to issue equity securities for cash consideration to provide additional capital that may be applied towards acquisition of new assets or investments (including expenses associated with such an acquisition) or may supplement the Company's current assets and/or general working capital.

k) Disclosure and Allocation

ASX Listing Rules require the Company, when issuing equity securities under Additional 10% Placement Capacity, to:

- a) state in its announcement of the proposed issue or in its application for quotation of the securities that the securities are being issued under LR 7.1A; and
- b) give to ASX immediately after the issue (not for release to market) a list of names of the persons to whom the Company issued the equity securities and the number of equity securities issued to each.

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

- (1) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the equity securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

Participants or potential participants in any issue under Additional 10% Placement Capacity have not been determined as at the date of this Notice of Meeting but may include some existing shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

l) Other information

Table 6.4 sets out the information required by ASX Listing Rule 7.3A.6.

Table 6.4	Information required by LR 7.3A.6
equity securities issued or agreed to be issued under Additional 10% Placement Capacity in the 12 months preceding date of 2021 AGM	
Number of equity securities issued	zero
Type of equity securities issued	N/A
Persons to whom equity securities issued	N/A
Price at which equity securities were issued	N/A
Use of Funds	N/A

A voting exclusion statement is included in this Notice of Meeting for Resolution 6.

Recommendation: The Board believes that renewal of Additional 10% Placement Capacity is in the best interests of the Company and unanimously recommends that shareholders vote in favour of Resolution 6.

Resolution 7 – Approve Change of Company Name

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 7 seeks the approval of shareholders to change the name of the Company to “Metarock Group Limited”.

The purpose of the proposed name change is to better reflect the Company’s core focus following completion of the PYBAR Acquisition as a leading diversified mining services group and adapt its branding accordingly. Mastermyne and PYBAR Mining Services brands have a rich history and a respected presence in the mining services community and under this proposed naming convention these brands will remain inextricably tied to their respective sectors.

If Resolution 7 is passed as special resolution, the Company will lodge a copy of resolution with ASIC within 14 days after approval from shareholders and the name will officially change to “Metarock Group Limited” when ASIC issues the Certificate of Registration on Change of Name thereafter.

The name “Metarock Group Limited” has been reserved with ASIC. On receipt of the new name certificate, the Company will notify the ASX of the change and trading under the new name. Notwithstanding the change of name, the Company will retain its current ASX code of “MYE”.

If shareholder approval for the issue of the PYBAR Consideration Shares is not obtained, then the PYBAR Acquisition cannot proceed. It is only intended that the Company will change its name to “Metarock Group Limited” if the PYBAR Acquisition does proceed, noting that the purpose of the change of name is to capture the expanded operations and direction of the Company post-acquisition.

Accordingly, this Resolution 7 is conditional upon shareholder approval of Resolution 4 (Approve Proposed Issue of PYBAR Consideration Shares to PYBAR Sellers).

Recommendation: Subject to shareholders approving Resolution 4, the Board unanimously recommends the change of the Company’s name to “Metarock Group Limited” and that shareholders vote in favour of Resolution 7 for this purpose.

2021 ANNUAL GENERAL MEETING

SHAREHOLDER QUESTIONS

Your concerns as Shareholders are important to the Company's Directors.

Shareholders who do not attend the 2021 AGM, or who prefer to submit questions or comments for the Directors or the Auditor in advance of the Meeting, can submit questions and comments to the Meeting *online* via the Company's share registry website, or on the Question Form that accompanies the Notice of Meeting.

To submit questions and comments online Shareholders must:

- login via www.linkmarketservices.com.au by entering details of their shareholding,
- then select *Voting*, and
- then select *Ask a Question*.

Alternatively, Shareholders can put their questions and comments on the accompanying Question Form and return it to the share registry.

In either case, please submit questions and comments to the share registry by *5:00pm (Queensland time) on Tuesday 26 October 2021*. This will allow time for the Company to collate questions and prepare answers.

During the Meeting, the Chair of the Meeting will endeavour to address as many as possible of the more frequently raised shareholder topics and, where appropriate, will give a representative of Pitcher Partners, the Company's Auditor, opportunity to answer written questions submitted to the Auditor. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Questions and comments that you ask the Directors to respond to at the 2021 AGM should relate to matters that are relevant to the business of the meeting, as outlined in the Notice of Meeting and Explanatory Statement.

You may also submit written questions to the Company's Auditor if the questions are relevant to the content of the Auditor's report, or the conduct of the audit of the Company's Annual Financial Report for the financial year ended 30 June 2021.

In accordance with the Corporations Act 2001 (Cth), shareholders as a whole will be given reasonable opportunity at the AGM to ask:

- the Directors questions about, or make comments on, the management of the Company and the Annual Financial Report, including the Remuneration Report; and
- the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company and the independence of the Auditor.

2021 ANNUAL GENERAL MEETING

Explanatory Statement

Annexure "A"

Summary of the terms of the Mastermyne Group Limited 2015 Employee Performance Rights Plan (Plan)

1. Under the Plan, the Board may grant Performance Rights to employees (including executive directors) of Mastermyne and its related bodies corporate and to other persons determined by the Board.
2. The Board may determine the number of any Performance Rights to be granted under the Plan, as well as the vesting conditions, exercise price (if any), exercise period (if any), lapsing conditions, disposal restrictions and other terms applicable to the Performance Rights.
3. Each performance right which has vested and not lapsed or expired entitles the participating employee to one fully paid ordinary Share in Mastermyne. Subject to the terms of grant, Mastermyne may issue new Shares or arrange a transfer or purchase of existing Shares.
4. Shares may be subject to disposal restrictions determined by the Board at the time of grant.
5. Unless the Board determines otherwise, Performance Rights will expire if:
 - a. the vesting conditions have not been satisfied at the end of the vesting period;
 - b. the Performance Rights have not vested and the employee ceases to be employed by Mastermyne or a related body corporate of Mastermyne, subject to the terms on which the Performance Rights are granted; or
 - c. the employee purports to transfer or encumber their Performance Rights without the consent of the Board.
6. Performance Rights do not carry entitlements to participate in new issues of securities made by Mastermyne. However, subject to the Listing Rules, adjustments may be made to the number of Shares to which the Performance Rights relate and/or the exercise price to take into account changes to the capital structure of Mastermyne that occur by way of a pro rata issue or bonus issue.
7. In any reconstruction of Mastermyne's capital, Performance Rights may be adjusted in a similar way as applies to options under the Listing Rules.
8. If there is a change of control of Mastermyne, Performance Rights will vest on a pro rata basis according to the time period over which they would otherwise vest. Where performance conditions apply to vesting, the Board may determine that a lesser number of Performance Rights will vest having regard to the performance conditions.
9. Mastermyne may not grant Performance Rights where the ordinary Shares that may be issued under the Performance Rights would, together with Shares issued by Mastermyne under any other employee or non-executive share or option scheme during the previous 3 year period (disregarding offers that were made under a prospectus or that do not need disclosure under section 208 of the Corporations Act) exceed 5% of Mastermyne's total issued ordinary Shares.
10. A copy of the Plan is available on the Company's website, www.mastermyne.com.au under the "Investors" tab, or by calling the Company on +61 7 4963 0400.

MASTERMYNE GROUP LIMITED

ACN 142 490 579

2021 ANNUAL GENERAL MEETING

Explanatory Statement

Annexure "B"

Summary of the material terms of the PYBAR Acquisition and Share Purchase Agreement

1. Parties	<p>Nucanopi Pty. Limited as trustee of The Rouse Family Trust and Brencon Pty Ltd as trustee of The Brendan Rouse Family Trust (together the Sellers)</p> <p>ALAR Investments (NSW) Pty Ltd as trustee of the ALAR Family Trust (ALAR) (the Sellers and ALAR together the PYBAR Sellers)</p> <p>Mastermyne Group Limited (Mastermyne)</p>
2. Transaction	<p>Mastermyne will acquire from the Sellers 100% of the issued capital in PYBAR Holdings Pty Limited (Target Company). The Target Company owns all the issued share capital in PYBAR Mining Services Pty Ltd (PYBAR Mining Services) (together the PYBAR Group).</p> <p>The Purchase Price will be approximately \$47 million as follows:</p> <ul style="list-style-type: none">• cash consideration of \$23.5 million, 50% payable on completion of the transaction and the remaining 50% payable 12 months after the completion date;• scrip consideration of 23,209,325 Mastermyne shares with an implied value of \$23.5 million based on the 5 day VWAP of Mastermyne shares between 30 August 2021 and 3 September 2021 to be held in voluntary escrow for 12 months. <p>The consideration shares equate to approximately 17.7% of the post-completion ordinary share capital of Mastermyne.</p> <p>At the request of the Sellers, a portion of the scrip consideration (comprising 2,204,886 ordinary shares in Mastermyne) will be issued to ALAR, to be held in voluntary escrow for 12 months. ALAR will provide a guarantee of the Sellers' obligations under the SPA.</p> <p>Mastermyne will not unreasonably withhold consent if the Sellers wish to transfer up to 1,160,466 shares of the scrip consideration to key employees of PYBAR Mining Services, provided the transferred shares are to be held in voluntary escrow for the balance of the 12 month escrow period.</p> <p>The deferred consideration will be subject to agreed adjustments for working capital and specified debt.</p>
3. Conditions	<p>Completion of the acquisition is conditional upon:</p> <ul style="list-style-type: none">• obtaining shareholder approval and any other approvals under the ASX Listing Rules, including any shareholder resolutions required for the allotment and issue of the Mastermyne shares to the PYBAR Sellers;• obtaining counterparty consents under certain material client and financing contracts of the Pybar Group (where relevant);• restructure of the Pybar Group, pursuant to agreed restructure steps, to remove non-core subsidiaries from the Pybar Group prior to the acquisition;• there being no material adverse change likely to diminish EBITDA of the Pybar Group by \$2m or more in any 12 month period other than from external factors;

	<ul style="list-style-type: none"> • Mastermyne granting second-ranking security to the Sellers in respect of the deferred cash consideration; • completion of the Pybar Group's FY21 statutory audit and confirmation that the adjusted FY21 EBITDA of the Pybar Group remains at least \$26.6m.
4. Timing for Completion	Completion is scheduled for November 2021, or if later, following the satisfaction or waiver of the conditions precedent. Assuming satisfaction of the conditions precedent, completion is expected to occur during Q4 2021.
5. Director appointment	While the Sellers hold an aggregate of 10% or more of Mastermyne shares, the Sellers may nominate an appropriately qualified director to the Board of Mastermyne. Paul Rouse will be the Sellers' initial appointee to the Mastermyne Board and will join the Board from Completion.
6. Conduct prior to Completion	The Sellers must procure that the Pybar business is conducted in the ordinary and usual course and obtain Mastermyne's consent (not unreasonably withheld) for certain activities prior to completion. Mastermyne similarly undertakes to conduct its business in the ordinary course and obtain the Sellers' consent (not unreasonably withheld) regarding certain pre-completion matters.
7. Warranties and Indemnities	The Sellers give certain representations, warranties, undertakings and indemnities in relation to the Pybar Group, its business, assets and the shares in the Target Company, as is customary for a transaction of this nature. Mastermyne's rights to be paid for claims under the SPA may, subject to certain conditions being met, be set-off against the deferred cash consideration payable to the Sellers.

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Mastermyne Group 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
Level 12, 680 George Street, Sydney NSW 2000

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



X99999999999


VOTING FORM

I/We being a member(s) of Mastermyne Group Limited and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

A VOTE DIRECTLY

☐ elect to lodge my/our vote(s) directly (mark box)

 in relation to the Annual General Meeting of the Company to be held at **11:00am (Queensland time), Tuesday, 2 November 2021**, and at any adjournment or postponement of the Meeting. You should mark either "for" or "against" for each item. Do not mark the "abstain" box.

OR

B APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Queensland time) on Tuesday, 2 November 2021 at the Company's Registered Office, Level 1, 45 River Street, Mackay, Queensland** or online at <https://agmlive.link/MYE21> (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approve proposed issue of Performance Rights to Managing Director or nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-elect Mr Gabe Meena as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approve additional 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-elect Ms Julie Whitcombe as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approve change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approve proposed issue of PYBAR consideration shares to PYBAR sellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MYE PRX2101N

HOW TO COMPLETE THIS SHAREHOLDER VOTING 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.**

VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either **"for"** or **"against"** for each item. Do not mark the **"abstain"** box. If you mark the **"abstain"** box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories **"for"** and **"against"** and their votes will be valid.

If you have lodged a direct vote, and then you attend the Meeting, your attendance will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

VOTING UNDER BOX B – 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 Voting 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 Voting 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 Voting Form and the second Voting 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 the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Queensland time) on Sunday, 31 October 2021**, 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

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Voting 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) as shown on the front of the Voting Form).



BY MAIL

Mastermyne Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

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:

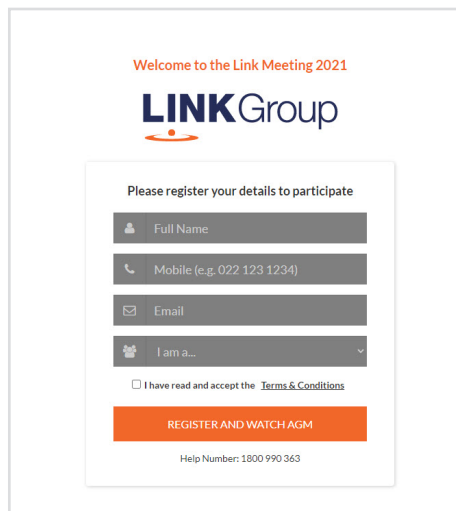
- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

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



Welcome to the Link Meeting 2021

LINKGroup

Please register your details to participate

Full Name

Mobile (e.g. 022 123 1234)

Email

I am a...

☐ I have read and accept the [Terms & Conditions](#)

REGISTER AND WATCH AGM

Help Number: 1800 990 363

Step 1

Open your web browser and go to <https://agmlive.link/MYE21>

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.

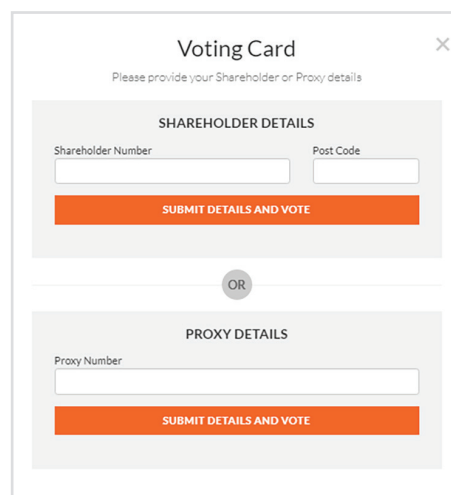
- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

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.



Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number Post Code

SUBMIT DETAILS AND VOTE

OR

PROXY DETAILS

Proxy Number

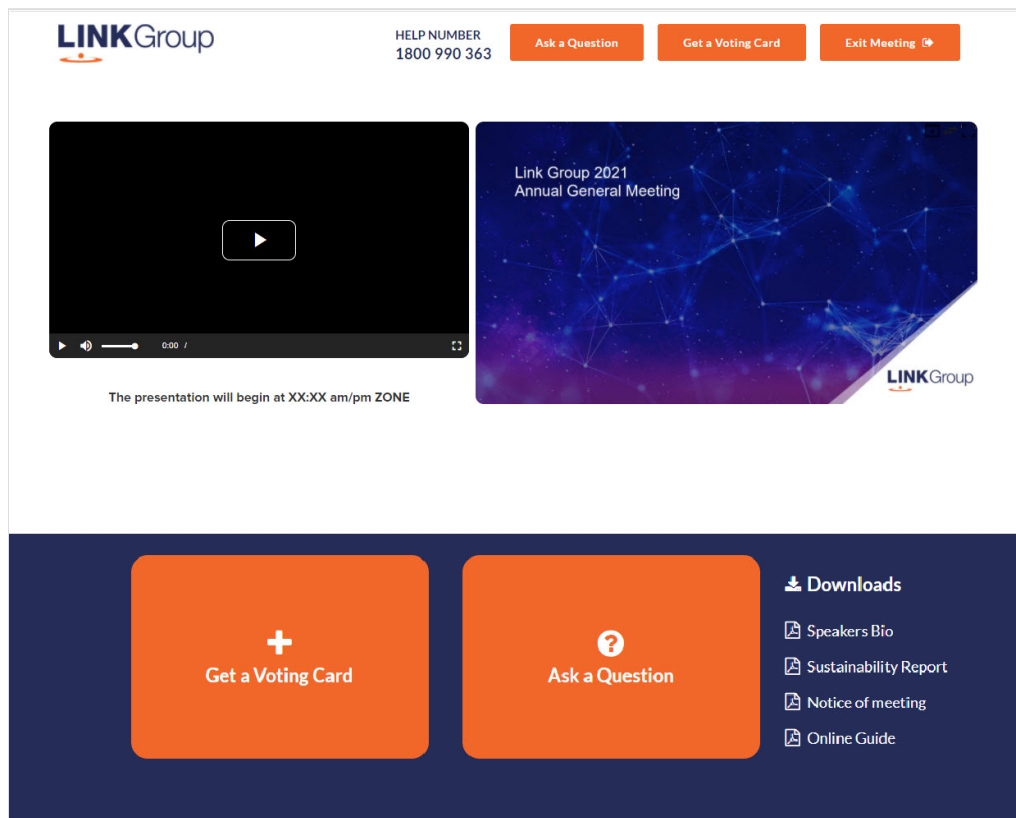
SUBMIT DETAILS AND VOTE

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.



ABC COMPANY PTY LTD
X123456789

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the Unitholder's voting instructions.

Full Vote
Partial Vote

Resolution 2B
For
Against
Abstain

RE-ELECTION OF MRL ABC AS A DIRECTOR

Resolution 2C
For
Against
Abstain

RE-ELECTION OF MS XYZ AS A DIRECTOR

Resolution 3
For
Against
Abstain

INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

Resolution 4
For
Against
Abstain

ADOPTION OF REMUNERATION REPORT

SUBMIT 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.

Virtual Meeting Online Guide *continued*

2. How to ask a question

Note: Only securityholders are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your security holder 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.

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding General Business

Question

Type your question here...

Submit Question

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.

View Questions

Your submitted questions can be viewed below. We will endeavour to answer all questions during the AGM.

When will the next AGM be held?

Asked regarding General Business

Asked at: 7:18AM Updated: 7:18AM

OPEN COMMENTS

SUBMIT ANOTHER QUESTION

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.

Contact us

Australia

T +61 1800 990 363

E info@linkmarketservices.com.au

5. Optional questions and comments phone line

For shareholders or proxyholders who wish to ask their question or make their comment orally rather than via the online AGM platform, a questions and comments phone line will be available during the AGM.

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 1800 990 363 or +61 1800 990 363 by 11.00am (Queensland time) on Sunday, 31 October 2021.

Joining the Meeting via Phone

Step 1

From your land line or mobile device, call:
1800 875 033 or +61 2 9189 8867

Step 2

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

At the end of the welcome message you will be greeted by a moderator and asked to provide your PIN. This will verify you as a securityholder and allow you to ask a question or make a comment.

Step 3

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

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 or making a comment

Step 1

When the Chairman calls for questions or comments on each resolution, you will be asked to **press *1** on your keypad should you wish to raise your hand to ask a question or make a comment.

Step 2

The moderator will ask you what item of business your question or comment relates to? Let the moderator know if your question or comment relates to General Business or the Resolution number.

You will also be asked if you have any additional questions or comments.

Step 3

When it is your time to ask your question or make your comment, the moderator will introduce you to the meeting, your line will be unmuted and you can then start speaking. Note, 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 key pad.

If you also joined the Meeting online, it is important that you mute your laptop, desktop, tablet or mobile device while you ask your question - this will avoid technical difficulties for you and other shareholders.

Step 4

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

Contact us

Australia

T 1300 554 474

E info@linkmarketservices.com.au

New Zealand

T +64 9 375 5998

E enquiries@linkmarketservices.co.nz