

28 October 2022

Dear Shareholder

### **Tempest Minerals Limited – Notice of Annual General Meeting and Proxy Form**

Tempest Minerals Limited A.C.N 612 008 358 (**Tempest** or **Company**) advises that the Annual General Meeting (**Meeting**) of the Company will be held in person at 2.00pm (AWST) on Wednesday, 30 November 2022 at Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016.

In accordance with current legislation, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has previously requested a hard copy. The Notice of Meeting can be viewed and downloaded at [www.tempestminerals.com](http://www.tempestminerals.com) or from the ASX website at <https://www2.asx.com.au/markets/company/tem>.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the notice of Meeting. If you have not elected to receive electronic communications from the Company, a copy of your personalised proxy form together with this letter will be posted to you.

The Company strongly encourages Shareholders to lodge a directed proxy form online or otherwise in accordance with the instructions set out in the proxy form prior to the Meeting and register their attendance prior to the Meeting if they intend to attend. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders questions. However, votes and questions may also be submitted during the Meeting.

Each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Meeting. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this letter, in accordance with the instructions set out on that form, by no later than 2.00pm (AWST) on 28 November 2022. The outcome of the resolutions, including details of votes received by poll, will be released to the Company's ASX announcements platform following conclusion of the meeting.

If you are unable to access any of the Meeting documents online, please contact the Company Secretary, Paul Jurman, on +618 9200 0435 or via email at [info@tempestminerals.com](mailto:info@tempestminerals.com).

In the event that it is necessary or appropriate for the Company to make alternative arrangements for the Meeting, information will be lodged with the ASX at [www.asx.com.au](http://www.asx.com.au) (ASX: TEM) and the Company's website at [www.tempestminerals.com](http://www.tempestminerals.com).

### **Shareholder Communications**

Receiving your shareholder communications electronically is the best way to stay informed and will assist the Company with minimising paper usage. If you haven't already, we encourage you to make the switch to paperless communications and provide us with your email address.

The Corporations Amendment (Meetings and Documents) Act 2022 (**Amendment Act**) includes a new requirement for public companies and listed companies to give shareholders notice of their right to elect to be sent documents electronically or physically by the company in section 110K of the Corporations Act.

There are new options for how Tempest shareholders receive communications. Tempest will no longer send physical meeting documents unless a shareholder requests a copy to be mailed.

Tempest encourages all shareholders to provide an email address so we can provide investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

By providing your email address, you will:

- Support the company by reducing the cost of mailing/postage
- Receive your investor communications faster and in a more secure way
- Help the environment through the need for less paper

#### **How do I update my communications preferences?**

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communications preferences, or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>

If you are a shareholder and would like a physical copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

**Telephone (within Australia):** 1300 288 664

**Telephone (outside Australia):** +61 2 9698 5414

**Email:** [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

**Website:** <https://investor.automic.com.au/>

#### **By order of the board**



Mr Paul Jurman  
Company Secretary



## **Tempest Minerals Limited ACN 612 008 358**

### **Notice of Annual General Meeting and Explanatory Memorandum**

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Date of Meeting: Wednesday, 30 November 2022

Time of Meeting: 2:00pm (Perth time)

Place of Meeting: Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia  
6016

This is an important document. Please read it carefully. This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

If you are unable to attend the Meeting, please complete the proxy form **enclosed** and return it in accordance with the instructions set out on that form.

Shareholders are strongly encouraged to vote online (<https://investor.automic.com.au/#/loginsah>) or by lodging the proxy form attached to this Notice in accordance with the instructions set out on that form by no later than 2.00pm (Perth time) on 28 November 2022.

# Explanatory Memorandum

Notice is given that the Annual General Meeting of Shareholders of Tempest Minerals Limited ACN 612 008 358 (**Company**) will be held at Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 on Tuesday, 30 November 2022 commencing at 2:00pm (Perth time).

Terms used in this Notice of Meeting are defined in section 10 (Interpretation) of the accompanying Explanatory Memorandum.

## Voting Intentions of Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of all Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his voting intention on any resolution, in which case an ASX announcement will be made.

Further details in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying Proxy Form.

## AGENDA

### Ordinary business

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#### Financial Report

To receive and consider the financial statements of the Company and its controlled entities for the period ended 30 June 2022 and the related Directors' Report, Financial Statements and Auditor's Report.

#### 1. Resolution 1: Adoption of Remuneration Report

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To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

*"That for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 30 June 2022."*

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

#### **Voting restriction pursuant to section 250R(4) of the Corporations Act**

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel (**KMP**) details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the KMP details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- either:
  - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
  - the voter is the chair of the meeting and the appointment of the chair as proxy:
    - does not specify the way the proxy is to vote on the Resolution; and
    - expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company or, if the Company is part of a consolidated entity, for the entity.

# Explanatory Memorandum

## 2. Resolution 2: Re-Election of Brian Moller as a Director of the Company

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

*“That Mr Brian Moller, who retires by rotation in accordance with Rule 39.6 of the Company’s Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”*

## 3. Resolution 3: Renewal of Performance Rights Plan

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval is given for the Company to adopt the Performance Rights Plan, which is summarised in the attached Explanatory Memorandum, and for the Company to issue securities under the Performance Rights Plan as an exception to Listing Rules 7.1 and 7.1A.”*

### Notes

A detailed summary of the key terms of the Performance Rights Plan is set out in Schedule 1.

### Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of

- (a) a person who is eligible to participate in the Performance Rights Plan; and
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 3 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution 3, in accordance with directions given to the proxy or attorney to vote on this Resolution 3 in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution 3, in accordance with a direction given to the chair to vote on this Resolution 3 as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution 3; and
  - the holder votes on this Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

### Key Management Personnel Voting Exclusion Statement

As Resolution 3 is a resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company (or, if the Company is a consolidated entity, for the entity), pursuant to section 250BD of the Corporations Act, a vote on Resolution 3 must not be cast by:

- (a) any member of Key Management Personnel of the Company or if the Company is part of a consolidated entity, of the entity; or
- (b) a Closely Related Party of such a member,

who is appointed as a Shareholder’s proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on the Resolution.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution, if the appointment of proxy expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or if the Company is part of a consolidated entity, of the entity.

# Explanatory Memorandum

## 4. Resolution 4: Renewal of Employee Share and Option Plan

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval is given for the Company to adopt the Employee Share and Option Plan (**ESOP**), which is summarised in the attached Explanatory Memorandum, and for the Company to issue securities under the ESOP as an exception to Listing Rules 7.1 and 7.1A”*

### Notes

A detailed summary of the key terms of the Employee Share and Option Plan is set out in Schedule 2.

### Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of

- (a) a person who is eligible to participate in the Employee Share and Option Plan; and
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 4 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution 4, in accordance with directions given to the proxy or attorney to vote on this Resolution 4 in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution 4, in accordance with a direction given to the chair to vote on this Resolution 4 as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution 4; and
  - the holder votes on this Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

### Key Management Personnel Voting Exclusion Statement

As Resolution 4 is a resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company (or, if the Company is a consolidated entity, for the entity), pursuant to section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by:

- (a) any member of Key Management Personnel of the Company or if the Company is part of a consolidated entity, of the entity; or
- (b) a Closely Related Party of such a member,

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on the Resolution.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution, if the appointment of proxy expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or if the Company is part of a consolidated entity, of the entity.

# Explanatory Memorandum

## Special business

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### 5. Resolution 5: Insertion of Proportional Takeover Provisions in Constitution

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To consider and, if thought fit, pass the following Special Resolution, without amendment:

*“That, for the purposes of sections 136(2) and 648G of the Corporations Act, and for all other purposes, the Constitution of the Company be amended by re-inserting the proportional takeover provisions contained in the **attached** Explanatory Memorandum into the Constitution as Rule 76, with effect from the date of the Meeting for a period of three years.”*

### 6. Resolution 6: Approval to issue an additional 10% of the issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

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To consider and, if thought fit, pass the following Special Resolution, with or without amendment:

*“That, pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions described in the Explanatory Memorandum.”*

#### Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

## General business

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

Notes:

- (a) Terms used in this Notice of Meeting are defined in the “Interpretation” section of the accompanying Explanatory Memorandum.
- (b) A detailed summary of the Resolutions is contained within the Explanatory Memorandum.

All resolutions at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

**By order of the Board**

Paul Jurman  
Company Secretary  
19 October 2022

# Explanatory Memorandum

## 1. Introduction

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This Explanatory Memorandum is provided to shareholders of Tempest Minerals Limited ACN 612 008 358 (**Company**) to explain the resolutions to be put to Shareholders at the Annual General Meeting to be held at Level 2, 389 Oxford Street, Mount Hawthorn, Western Australia 6016 on Wednesday, 30 November 2022 commencing at 2:00pm (Perth time).

The Directors recommend shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Terms used in this Explanatory Memorandum are defined in section 10.

## 2. Financial Statements

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The Corporations Act requires that the Company's Annual Financial Report for the period ending 30 June 2022 (including the Directors' Report, Financial Statements and the Audit Report) be laid before the Annual General Meeting for discussion. Although not requiring a vote of members, an opportunity will be provided for members to ask questions on the Annual Financial Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at [www.tempestminerals.com](http://www.tempestminerals.com).

## 3. Resolution 1 – Adoption of Remuneration Report

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### 3.1 Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is included in the Directors' Report section of the Annual Financial Report for the period ending 30 June 2022. The Report:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the Company including details of performance related remuneration and Performance Rights and Options granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

### 3.2 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report. A vote on this resolution is advisory only and does not bind the Directors or the Company.

### 3.3 Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies

As set out in the notes to Resolution 1, a voting restriction applies with respect to the voting on this Resolution by members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) (**Voting Restriction**). Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where:



# Explanatory Memorandum

- (a) the Chairman or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy (**Management Proxy**) with specific instructions on how to vote on a resolution to adopt the remuneration report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding Shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## **4. Resolution 2 – Re-Election of Brian Moller as a Director of the Company**

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### **4.1 Retirement by Rotation**

Under Rule 39.6 of the Company's Constitution, a Director (other than the Managing Director) shall not continue in office for a period in excess of three consecutive years or until the third annual general meeting following the Director's appointment, whichever is longer, without submitting to re-election.

Mr Brian Moller was last re-elected as a Director of the Company at the 2019 AGM. Accordingly, Mr Moller retires by rotation in accordance with Rule 39.6 of the Company's Constitution, as well as ASX Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

### **4.2 Brian Moller's qualifications and experience**

Mr Moller was appointed as a Director of the Company on 13 October 2016 and was re-elected at the Company's 2019 annual general meeting.

Details of Mr Moller's qualifications and experience are available in the Annual Report, on the Company's website and are summarised briefly below.

Mr Moller is a corporate partner in the Brisbane-based law firm HopgoodGanim Lawyers, the Australian solicitors to the Company. He was admitted as a Solicitor in 1981 and has been a partner at HopgoodGanim since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.

Mr Moller holds an LLB (Hons) from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller acts for many publicly-listed resource and industrial companies and brings a wealth of experience and expertise to the board, particularly in the corporate regulatory and governance areas. Mr Moller is a non-executive director of DGR Global Limited, New Peak Metals Limited and Chairman of Platina Resources Limited and Aus Tin Mining Ltd.

Mr Moller is a member of the Audit & Risk Management Committee.

In accordance with the Company's Corporate Governance Charter that has been drafted with consideration of the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations, 4th Edition", Mr Moller is not considered independent as he is a principal of HopgoodGanim Lawyers, a material professional advisor to the Company.

### **4.3 Directors' recommendation**

The Board has reviewed Mr Moller's performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Moller and recommends that Shareholders vote in favour of Resolution 2.

# Explanatory Memorandum

## 5. Resolution 3 – Renewal of Performance Rights Plan

### 5.1 Introduction

Pursuant to Resolution 3, the Company is seeking Shareholder approval for the continued issue of Equity Securities under the Company's Performance Rights Plan (**Rights Plan**) as an exception under Listing Rule 7.2 (Exception 13) which would enable any Equity Securities issued under the Rights Plan over the next three (3) years to be excluded from the calculation of the number of Equity Securities issued for the purposes of ASX Listing Rules 7.1 and 7.1A.

The Company previously approved the Rights Plan at an extraordinary general meeting held in January 2020 to provide incentives to eligible participants of the Company, including Directors of the Company who hold a salaried employment or office in the Company, and to recognise their contribution to the Company's success.

The Rights Plan provides for the issue of Performance Rights which, upon a determination by the Board that performance conditions attached to the Performance Rights have been met, will result in the issue of one ordinary share in the Company for each Performance Right granted.

Under the Company's current circumstances, the Directors consider that the use of Performance Rights are a cost effective and efficient incentive for the Company as opposed to relying solely on alternative forms of incentives such as the issue of Shares, cash bonuses or increased remuneration. To enable the Company to secure and retain key employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Rights Plan is designed to achieve this objective by encouraging long term employment with the Company and continued improvement in performance over time and encouraging personnel to acquire and retain an interest in the Company.

A summary of the terms of the Rights Plan are set out in Schedule 1 to this Explanatory Memorandum.

### 5.2 ASX Listing Rules

Subject to certain exceptions, ASX Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue Equity Securities in any 12-month period equivalent in number to more than 15% of its ordinary securities on issue, without the approval of its shareholders.

As a result, any issue of Equity Securities by the Company to eligible participants under the Rights Plan would reduce the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1.

Exception 13 of Listing Rule 7.2 however, allows the Company to issue Equity Securities under the Rights Plan without the issue of such securities being counted towards the Company's 15% issue capacity under Listing Rule 7.1, where Shareholders have approved the issue of Equity Securities under the Rights Plan as an exception to Listing Rule 7.1, within three (3) years prior to the issue. Resolution 3 is being put to Shareholders for this purpose and will allow the Company to utilise Exception 13 of Listing Rule 7.2 for three (3) years from the date of the Resolution being passed.

### 5.3 Information required under Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 3:

Exception 13(b)	Information
A summary of the terms of the Rights Plan	<p>A summary of the terms and conditions of the Rights Plan is set out in Schedule 1.</p> <p>In addition, a copy of the Rights Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting.</p>

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	<p>A copy of the Rights Plan can also be sent to Shareholders upon request to the Company Secretary.</p> <p>Shareholders are invited to contact the Company if they have any queries or concerns.</p>
The number and class of Securities issued under the Rights Plan since the entity was listed or the date of the last approval under Listing Rule 7.2 (Exception 13(b))	There have been no Securities issued under the Rights Plan since the last approval.
The maximum number of Equity Securities proposed to be issued under the Rights Plan following the approval	<p>The maximum number of Performance Rights proposed to be issued by the Company under the Rights Plan within the 3 year period following the passing of Resolution 3 is 25,238,309, which is equivalent to 5% of the total Shares on issue as of 18 October 2022 (being 504,766,176).</p> <p>It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.</p>
A voting exclusion statement	A voting exclusion statement is set out in the Notice of Meeting.

Exception 13(b) is only available if and to the extent that the number of Equity Securities issued under the Rights Plan does not exceed the maximum number set out above.

Exception 13(b) also ceases to be available if there is a material change to the terms of the Rights Plan from those summarised in Schedule 1.

## 5.4 Effect of Resolution

If Resolution 3 is passed, the Company will be able to issue Equity Securities under the Rights Plan to eligible participants over a period of 3 years.

The issue of any securities to eligible participants under the Rights Plan (up to the maximum number of securities stated in section 5.3 above) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will be able to proceed with the issue of Equity Securities under the Rights Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the Equity Securities.

The Company considers that it will derive a significant benefit by incentivising its senior management and key employees through the issue of Performance Rights under the Rights Plan. Additionally, the Company believes it to be in the best interests of the Company to preserve the maximum commercial flexibility to issue Equity Securities that is afforded to it by ASX Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Rights Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

## 5.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

# Explanatory Memorandum

## 6. Resolution 4 – Renewal of Employee Share and Option Plan

### 6.1 Introduction

Pursuant to Resolution 4, the Company is seeking Shareholder approval for the continued issue of Equity Securities under the Company's Employee Share and Option Plan (**ESOP**) as an exception under Listing Rule 7.2 (Exception 13) which would enable any Equity Securities issued under the ESOP over the next three (3) years to be excluded from the calculation of the number of Equity Securities issued for the purposes of ASX Listing Rules 7.1 and 7.1A.

The Company previously approved the ESOP at an extraordinary general meeting held in January 2020 to provide incentives to eligible employees of the Company. The ESOP provides for the issue of Options which, upon exercise by the relevant Optionholder, will result in the issue of one ordinary share in the Company for each Option granted.

Under the Company's current circumstances, the Directors consider that the use of Options are a cost effective and efficient incentive for the Company as opposed to relying solely on alternative forms of incentives such as the issue of Shares, cash bonuses or increased remuneration. To enable the Company to secure and retain key employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The ESOP is designed to achieve this objective by encouraging long term employment with the Company and continued improvement in performance over time and encouraging personnel to acquire and retain an interest in the Company.

A summary of the terms of the ESOP are set out in Schedule 2 to this Explanatory Memorandum.

### 6.2 ASX Listing Rules

Subject to certain exceptions, ASX Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue Equity Securities in any 12-month period equivalent in number to more than 15% of its ordinary securities on issue, without the approval of its shareholders.

As a result, any issue of Equity Securities by the Company to eligible participants under the ESOP would reduce the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1.

Exception 13 of Listing Rule 7.2 however, allows the Company to issue Equity Securities under the ESOP without the issue of such securities being counted towards the Company's 15% issue capacity under Listing Rule 7.1, where Shareholders have approved the issue of Equity Securities under the ESOP as an exception to Listing Rule 7.1, within three (3) years prior to the issue. Resolution 4 is being put to Shareholders for this purpose and will allow the Company to utilise Exception 13 of Listing Rule 7.2 for three (3) years from the date of the Resolution being passed.

### 6.3 Information required under Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 4:

Exception 13(b)	Information
A summary of the terms of the ESOP	<p>A summary of the terms and conditions of the ESOP is set out in Schedule 2.</p> <p>In addition, a copy of the ESOP is available for review by Shareholders at the registered office of the Company until the date of the Meeting.</p> <p>A copy of the ESOP can also be sent to Shareholders upon request to the Company Secretary.</p> <p>Shareholders are invited to contact the Company if they have any queries or concerns.</p>
The number and class of Securities issued under the ESOP since the entity	2,000,000 unlisted Options exercisable at \$0.04 expiring on 30 September 2022 were issued on

# Explanatory Memorandum

was listed or the date of the last approval under Listing Rule 7.2 (Exception 13(b))	28 August 2020. These unlisted Options expired unexercised on 30 September 2022.  2,000,000 unlisted Options exercisable at \$0.14 expiring on 30 June 2025 were issued on 28 June 2022.
The maximum number of Equity Securities proposed to be issued under the ESOP following the approval	The maximum number of Options proposed to be issued by the Company under the ESOP within the 3-year period following the passing of Resolution 4 is 25,238,309, which is equivalent to 5% of the total Shares on issue as of 18 October 2022 (being 504,766,176).  It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.
A voting exclusion statement	A voting exclusion statement is set out in the Notice of Meeting.

Exception 13(b) is only available if and to the extent that the number of Equity Securities issued under the ESOP does not exceed the maximum number set out above.

Exception 13(b) also ceases to be available if there is a material change to the terms of the ESOP from those summarised in Schedule 2.

## 6.4 Effect of Resolution

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the ESOP to eligible participants over a period of 3 years.

The issue of any securities to eligible participants under the ESOP (up to the maximum number of securities stated in section 6.3 above) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will be able to proceed with the issue of Equity Securities under the ESOP to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the Equity Securities.

The Company considers that it will derive a significant benefit by incentivising its senior management and key employees through the issue of Options under the ESOP. Additionally, the Company believes it to be in the best interests of the Company to preserve the maximum commercial flexibility to issue Equity Securities that is afforded to it by ASX Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the ESOP to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

## 6.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

## 7. Resolution 5 – Insertion of Proportional Takeover Provisions in the Constitution

### 7.1 Background

The Corporations Act permits a company's constitution to include a provision that enables it to refuse to register Shares acquired under a proportional takeover bid, unless shareholders approve the bid. Rule 76 of the Company's Constitution contains proportional takeover provisions.

# Explanatory Memorandum

Under the Corporations Act, these provisions must be renewed every three years, or they will cease to have effect. The provisions set out in Rule 76 of the Constitution have not been renewed in the three years preceding the date of the Meeting.

Accordingly, these provisions have ceased to apply by operation of section 648G(1)(a) of the Corporations Act and, further, Rule 76 has been deemed to be omitted from the Constitution under section 648G(3) of the Corporations Act.

It is proposed that the provisions are re-inserted into the Company's Constitution in their previous form at Rule 76. The takeover provisions which are proposed to be re-inserted under this Resolution are **attached** to this Explanatory Memorandum as Schedule 3.

A copy of the Company's Constitution is available on the Company's website at [www.tempestminerals.com](http://www.tempestminerals.com).

## 7.2 Statements under the Corporations Act

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

### ***What is a proportional takeover bid, and why do we need the proportional takeover approval provisions?***

A proportional takeover bid is where an offer is made to each Shareholder to buy a proportion of that Shareholder's shares in the Company, and not the Shareholder's entire shareholding. This means that control of the Company may pass without members having the chance to sell all of their Shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their Shares.

In order to deal with this possibility, section 648D of the Corporations Act provides that a company may include in its constitution a provision that enables it to refuse to register the transfer of shares acquired under a proportional takeover bid unless the bid is approved at a general meeting of the company.

The proposed proportional takeover provisions decrease this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

The Directors consider that Shareholders should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without Shareholders being given the opportunity to dispose of all of their Shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid Shareholders feeling pressure to accept the bid even if they do not want it to succeed.

### ***What is the effect of the proportional takeover approval provisions?***

If Resolution 5 is approved, Rule 76 of the Constitution would be re-inserted and become effective as and from approval. This would require that any proportional takeover bid be approved at a general meeting of the class of members the subject of the bid.

In the event a proportional takeover bid is made, the Directors must hold a meeting of Shareholders at least 14 days before the last day of the proportional takeover bid period (**Resolution Deadline**) to vote on a resolution to approve the bid. For the resolution to be approved, it must be passed by a simple majority of votes, excluding the votes of the bidders and their associates.

If the resolution is not voted on before the Resolution Deadline, the resolution will be taken to have been passed on the Resolution Deadline.

The vote is decided on a simple majority.

If the resolution is approved or taken to have been approved, a transfer of the Company's shares under the proportional takeover bid may be registered if it complies with the other provisions of the Corporations Act and the Constitution.

# Explanatory Memorandum

If the resolution is rejected, the registration of any transfer of shares resulting from the proportional takeover bid is prohibited and the proportional takeover bid is deemed by the Corporations Act to have been withdrawn.

Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote. However, the bidder and its associates are not allowed to vote.

The Directors will breach the Corporations Act if they fail to ensure the approving resolution is voted on.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for three years from approval, unless renewed for a further period by Shareholders passing a special resolution. As noted above, the provisions may be renewed or reinserted upon the expiry of the initial 3 year period, but only by a special resolution passed by Shareholders.

## ***Potential advantages and disadvantages***

The insertion of the proportional takeover approval provisions will allow the Directors to ascertain members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

The proportional takeover approval provisions in Rule 76 will ensure that all members have an opportunity to consider a proportional bid proposal and decide by majority vote at a general meeting as to whether the bid should proceed. This will increase the bargaining power of shareholders and is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of members, including by using appropriate pricing. Similarly, knowing the view of the majority of members may help individual members assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

Additionally, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all their Shares to the bidder. As such, Shareholders may be left as minority holders. Rule 76 provides Shareholders with an element of control over any proportional takeover process whereby they may collectively determine whether the bid is acceptable.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a takeover offer being made. It may also result in Shareholders losing the opportunity to sell some of their Shares at a premium under a proportional takeover bid and may reduce the likelihood of a proportional takeover bid being successful. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to freely deal with their Shares.

On balance, the Board considers that the potential advantages for members of the proportional takeover approval provisions outweigh the potential disadvantages.

## ***Review of proportional takeover provisions***

While proportional takeover approval provisions have been in force under the Company's Constitution, there have been no full or proportional takeover bids for the Company. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders. The Directors are not aware of any potential takeover that has been discouraged by Rule 76 of the Company's Constitution.

## ***Existing proposals***

As at the date on which this Notice and Explanatory Memorandum was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

### **7.3 Statements under the Corporations Act**

The Directors recommend that you vote in favour of this Special Resolution.

# Explanatory Memorandum

## 8. Resolution 6 – Approval to issue an additional 10% of the issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

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### 8.1 Background

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% (**Additional 10% Capacity**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to be granted the Additional 10% Capacity provided for in Listing Rule 7.1A.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the Additional 10% Capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### 8.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

#### (a) Period for which the Additional 10% Capacity is valid

The Additional 10% Capacity will commence on the date of the Meeting and expire on the first to occur of the following:

- (1) the date that is 12 months after the date of this Meeting;
- (2) the time and date of the Company's next annual general meeting; and
- (3) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

#### (b) Minimum Price at which the Equity Securities may be issued

Any Equity Securities issued under the Additional 10% Capacity must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (2) if the Equity Securities are not issued within 10 trading days of the date in Section 8.2(b)(1), the date on which the Equity Securities are issued.

#### (c) Use of funds raised under the Additional 10% Capacity

The purposes for which funds raised by an issue of Equity Securities under the Additional 10% Capacity may be used include the following:

- (1) exploration activities on the Company's mineral interests;
- (2) assessment of any future mineral property opportunities;
- (3) assessment of any other investment opportunities; and
- (4) ongoing future working capital purposes.



# Explanatory Memorandum

## (d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the Additional 10% Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the Additional 10% Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 18 October 2022.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the Additional 10% Capacity.

Issued Share Capital (Variable A in Listing Rule 7.1A.2)		Issued Share Capital: 10% Voting Dilution	Issue Price		
			50% decrease in Market Price \$0.0155	Current Market Price \$0.031	100% Increase in Market Price \$0.062
			Funds Raised		
Current	504,766,176 Shares	50,476,617 Shares	\$782,388	\$1,564,775	\$3,129,550
50% Increase	757,149,264 Shares	75,714,926 Shares	\$1,173,581	\$2,347,163	\$4,694,325
100% Increase	1,009,532,352 Shares	100,953,235 Shares	\$1,564,775	\$3,129,550	\$6,259,101

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

### The table above uses the following assumptions:

- (1) At 18 October 2022, the date of preparation of this Notice, there were 504,766,176 Shares on issue.
- (2) The issue price set out above is the closing market price of the Shares on the ASX on 18 October 2022.
- (3) The Company issues the maximum possible number of Equity Securities under the Additional 10% Capacity.
- (4) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- (5) The issue of Equity Securities under the Additional 10% Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
- (6) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (7) This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
- (8) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

# Explanatory Memorandum

- (9) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (1) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (2) (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the Additional 10% Capacity**

The recipients of the Equity Securities to be issued under the Additional 10% Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the Additional 10% Capacity, having regard to the following factors:

- (1) the purpose of the issue;
- (2) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (3) the effect of the issue of the Equity Securities on the control of the Company;
- (4) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (5) prevailing market conditions; and
- (6) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 30 November 2021 (**Previous Approval**).

During the 12-month period from the Previous Approval until the date of the Meeting, the Company issued 39,300,000 Shares under Listing Rule 7.1A.2 pursuant to the Previous Approval (**Previous Issues**). These Previous Issues represent approximately 8.47% of the total diluted number of Equity Securities on issue in the Company on 30 November 2021, which was 463,937,584.

Further details of the issue of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12-month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issues:

<b>Date of Issue and Appendix 2A</b>	<b>Date of Issue:</b> 27 April 2022 <b>Date of Appendix 2A:</b> 27 April 2022
<b>Recipients</b>	High net worth sophisticated and professional investors, comprising existing and new shareholders as part of a placement announced on 19 April 2022. These placement participants were identified through a bookbuild process, which involved PAC Partners Securities Pty Ltd seeking expressions of interest in participating in the capital raising having regard to factors such as the Company's desire to build a strong, long-term shareholder register and investor risk appetite by reference to industry and geographical sectors.

# Explanatory Memorandum

<b>Number and Class of Equity Securities Issued</b>	39,300,000 Shares <sup>1</sup>
<b>Issue Price and discount to Market Price<sup>1</sup> (if any)</b>	\$0.085 per Share (nil discount to Market Price <sup>2</sup> ).
<b>Total Cash Consideration and Use of Funds</b>	<p><b>Amount raised:</b> \$3,340,500 under Listing Rule 7.1A.2.</p> <p><b>Amount spent:</b> \$Nil</p> <p><b>Use of funds:</b> to accelerate the Company's exploration programs on its Western Australian gold and base metal projects and for general working capital.</p> <p><b>Amount remaining:</b> \$3,340,500</p> <p><b>Proposed use of remaining funds<sup>3</sup>:</b> As above.</p>

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: TEM (terms are set out in the Constitution).
2. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

(g) **Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. In accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A, for a person's vote to be excluded, it must be known that that person will participate in the proposed issue.

Where it is not known who will participate in the proposed issue (as is the case in respect of the 10% Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

Accordingly, a voting exclusion statement is not included in this Notice.

8.3 **Recommendation**

The Directors recommend that you vote in favour of this Special Resolution.

9. **General Business**

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company. Specific comments relating to the Resolutions are set out in the Explanatory Memorandum.

**By order of the board**

Mr Paul Jurman  
Company Secretary  
19 October 2022

# Explanatory Memorandum

## 10. Interpretation

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

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

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

**Chair** means the person who chairs the Meeting.

**Closely Related Parties** (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependent of the member or the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this paragraph.

**Company** means Tempest Minerals Limited ACN 612 008 358.

**Constitution** means the constitution of the Company from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

**Director** means a director of the Company.

**Employee Share and Options Plan** or **ESOP** means the means equity incentive scheme adopted by the Company at an extraordinary general meeting held in January 2020 and proposed to be renewed under Resolution 4, the terms of which are summarised in Schedule 2.

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Key Management Personnel** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Listing Rules** means the official listing rules of the ASX as amended from time to time.

**Market Price** has the meaning given to that term in the Listing Rules.

**Meeting, Annual General Meeting** or **AGM** means the Annual General Meeting to be held on Wednesday, 30 November 2022 as convened by the accompanying Notice of Meeting.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Official List** means the official list of ASX.

**Option** means an option to subscribe for Shares.

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

**Performance Rights** means the Equity Securities issued by the Company under the Performance Rights Plan.

# Explanatory Memorandum

**Performance Rights Plan** or **Rights Plan** means equity incentive scheme adopted by the Company at an extraordinary general meeting held in January 2020 and proposed to be renewed under Resolution 3, the terms of which are summarised in Schedule 1.

**Relevant period** means:

- (a) if the entity has been admitted to the Official List for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- (b) if the entity has been admitted to the Official List for less than 12 months, the period from the date the entity was admitted to the Official List to the date immediately preceding the date of the issue or agreement.

**Resolution** means a resolution as set out in the Notice of Meeting.

**Securities** has the meaning in section 92(1) of the Corporations Act.

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

**Shareholder** means a holder of Shares in the Company.

**Special Resolution** means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) passed by at least 75% of the votes cast by members entitled to vote on the Resolution.

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Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Paul Jurman (**Company Secretary**):

Suite 9, Level 2  
389 Oxford Street  
Mount Hawthorn WA 6016  
+61 8 9200 0435

# Explanatory Memorandum

## Schedule 1 – Summary of the key terms of the Performance Rights Plan

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Note that terms not otherwise defined in the Notice or Explanatory Memorandum have the meaning given to them under the Performance Rights Plan.

1. The Performance Rights Plan is a long term incentive scheme aimed at creating a stronger link between an eligible employees performance and reward whilst increasing Shareholder value in the Company.
2. The Board may from time to time in its absolute discretion issue or cause to be issued invitations on behalf of the Company to eligible employees to participate in the Performance Rights Plan. The invitation will include information such as performance hurdles and performance periods. On vesting, one Performance Right is exercisable into one Share.
3. A participant in the Performance Rights Plan will not pay any consideration for the grant of the Performance Rights. An eligible employee has no right to be granted any Performance Rights unless and until such Performance Rights are granted on meeting any performance conditions. The Performance Rights will not be listed for quotation on the ASX.
4. The Performance Rights may not be transferred, assigned or novated except with the approval of the Board.
5. The performance hurdles applicable to any performance period (including how they will be measured) relating to Performance Rights shall be set out in the invitation to eligible employees to take part in the Performance Rights Plan.
6. As soon as reasonably practicable after the date at which performance hurdles are to be measured to determine whether the Performance Right becomes vested (**Test Date**), the Board shall determine in respect of each Participant as at that Test Date:
  - (a) whether, and to what extent, the performance hurdles applicable up to the Test Date have been satisfied;
  - (b) the number of Performance Rights (if any) that will vest as at the Test date;
  - (c) the number of Performance Rights (if any) that will lapse as a result of the non-satisfaction of performance hurdles as at the Test Date; and
  - (d) the number of Performance Rights (if any) in respect of the performance period that continue unvested,
  - (e) and shall provide written notification to each Participant as to that determination.
7. Following exercise of a Performance Right, the Company must issue or transfer to the Eligible Person exercising the Performance Right the number of Shares in respect of which the Performance Right has been exercised.
8. If a Participant's employment with the Company ceases because of an uncontrollable event such as death or serious injury, all of the Participant's Performance that are capable of becoming exercisable if performance hurdles are met at the next Test Date will become vested and the Performance Rights may be exercised within 3 months.
9. Where there is publicly announced any proposal (whether by takeover bid, scheme of arrangement or otherwise) in relation to the Company which the Board reasonably believes may lead to a change in control event:
  - (a) all of the Participant's unvested Performance Rights, that have not lapsed, will become vested Performance Rights; and
  - (b) the Board shall promptly notify each Participant in writing that he or she may, within the period specified in the notice, exercise vested Performance Rights.
10. The Performance Rights Plan will be administered by the Board. The Board will have power to delegate the exercise of its powers or discretions arising under the Performance Rights Plan to any one or more persons (including, but not restricted to, a committee or sub-committee of the Board) for such period and on such conditions as the Board may determine.

# Explanatory Memorandum

11. If there are certain variations of the share capital of the Company including a capitalisation or rights issue, sub-division, consolidation or reduction in share capital, a demerger (in whatever form) or other distribution in specie, the Board may make such adjustments as it considers appropriate under the Performance Rights Plan, in accordance with the provisions of the Listing Rules.
12. Participants who are holding a Performance Right issued pursuant to the Performance Rights Plan have no rights to dividends and no rights to vote at meetings of the Company until that Performance Right is exercised and the Participant is the holder of a valid Share in the Company.
13. The terms and conditions of the Performance Rights Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Performance Rights Plan and the Listing Rules then the Listing Rules will prevail.

# Explanatory Memorandum

## Schedule 2 – Summary of the key terms of the Employee Share and Option Plan

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Note that terms not otherwise defined in the Notice or Explanatory Memorandum have the meaning given to them under the Employee Share and Option Plan (referred to below as the “Plan”).

1. The Plan is to extend to Eligible Persons or Eligible Associate (as the case may be) of the Company or an Associated Body Corporate of the Company as the Board may in its discretion determine.
2. The total number of Securities which may be offered by the Company under the Plan shall not at any time exceed 5% of the Company’s total issued Shares when aggregated with the number of Securities issued or that may be issued as a result of offers made at any time during the previous three year period under:
  - (a) an employee incentive scheme covered by ASIC CO 14/1000; or
  - (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
3. The Shares are to be issued at a price determined by the Board.
4. The Options are to be issued for no consideration.
5. The exercise price of an Option is to be determined by the Board at its sole discretion.
6. The Option Commencement Date will be any such date or dates with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board prior to the issuance of the relevant Options.
7. The Option Period commences on the Option Commencement Date and ends on the earlier of:
  - (a) the expiration of such period nominated by the Board at its sole discretion at the time of the grant of the Option but being not less than two years;
  - (b) if an Eligible Person’s employment or engagement with the Company or an Associated Body Corporate ceases because of an Uncontrollable Event, the earlier of:
  - (c) the expiry of the Option Period; or
  - (d) six months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement;
  - (e) if an Eligible Person’s employment or engagement with the Company or an Associated Body Corporate ceases because of a Controllable Event:
  - (f) the expiry of the Option Period; or
  - (g) three months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement; or
  - (h) the Eligible Person ceasing to be employed or engaged by the Company or an Associated Body Corporate of the Company due to fraud, dishonesty or being in material breach of their obligations to the Company or an Associated Body Corporate.
8. Eligibility to participate is determined by the Board. Eligibility is restricted to Eligible Persons (or their Eligible Associates where applicable) of the Company or an Associated Body Corporate of the Company. The Board is entitled to determine:
  - (a) subject to paragraph 2, the total number of Shares and Options to be offered in any one year to Eligible Persons or Eligible Associates;
  - (b) the Eligible Persons to whom offers will be made; and
  - (c) the terms and conditions of any Shares and Options granted, subject to the Plan.
9. In respect of Options, Option holders do not participate in dividends or in bonus issues unless the Options are exercised.
10. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine



# Explanatory Memorandum

entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the ASX Listing Rules.

11. In the event of a pro rata issue (except a bonus issue) made by the Company during the term of the Options the Company may adjust the exercise price for the Options in accordance with the formula in the terms of the Plan.
12. The Board has the right to vary the entitlements of Participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
13. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
14. The Board may impose as a condition of any offer of Shares and Options under the Plan any restrictions on the transfer or encumbrance of such Shares and Options as it determines.
15. The Board may vary the Plan.
16. The Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an Eligible Person under the terms of his or her employment or arrangement.
17. At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:
  - (a) the Current Market Price of the Shares; and
  - (b) the acquisition price of the Shares or Options offered where this is calculated by reference to a formula, as at the date of the Offer,
  - (c) to any Participant within three Business Days of a written request to the Company from that Participant to do so.
18. Any Offer made pursuant to the Plan will specify whether subdivision 83A-C of the applicable Tax Laws applies to that Offer such that any tax payable by a Participant under the Offer will be deferred to the applicable deferred taxing point described in that subdivision.

In the Plan:
19. **Controllable Event** means cessation of employment or engagement other than by an Uncontrollable Event.

**Uncontrollable Event** means:

  - (a) death, serious injury, disability or illness which renders the Eligible Person incapable of continuing their employment or engagement (or providing the services the subject of the engagement) with the Company or Associated Body Corporate;
  - (b) forced early retirement, retrenchment or redundancy; or
  - (c) such other circumstances which results in an Eligible Person leaving the employment of or ceasing their engagement with the Company or Associated Body Corporate and which the Board determines is an Uncontrollable Event.

# Explanatory Memorandum

## Schedule 3 – Amendments to Constitution (Proportional Takeover Provisions)

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Resolution 5 proposes that the Constitution be amended by re-inserting the following as Rule 76 of the Constitution

76. *Takeover approval provisions*

*Subject to the provisions of the Corporations Act, where offers have been made for Shares in the Company under a Takeover Bid and each such offer relates to a proportion of these Shares in the Company included in a class of Shares being a proportion that is the same in respect of each offer, the Directors shall refuse to register a transfer giving effect to a contract resulting from the acceptance of any offer under the Takeover Bid unless the following provisions have been complied with:*

- (a) the Directors shall convene a Meeting of the Company to be held in accordance with this Constitution on a day which is not less than 15 days prior to the end of the period during which the offers made under the Takeover Bid remain open;*
- (b) at the Meeting referred to the Members entitled to vote in accordance with Rule 76(c) shall consider and vote on a resolution approving the Takeover Bid which resolution shall be taken to have been passed if the votes cast in favour of the resolution exceed 50% of all votes validly passed in respect of the resolution; and*
- (c) for the purposes of the resolution referred to in Rule 76(b), a person (other than the offerer under the Takeover Bid or a person associated within the meaning of the Corporations Act with the bidder) who, as at 5.00pm on the day on which the first offer under the Takeover Bid was made, held Shares included in the class of Shares the subject of the Takeover Bid is entitled to vote and despite anything contained in this Constitution shall have one vote for each such Share held.*

# Explanatory Memorandum

## Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001* (Cth). The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be **deposited at, posted to, scanned and emailed or sent by facsimile transmission to the address listed below** not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

<b>BY MAIL</b> Tempest Minerals Limited C/- Automic GPO Box 5193 Sydney NSW 2001  <b>BY FAX</b> +61 2 8583 3040	<b>BY EMAIL</b> meetings@automicgroup.com.au  <b>ALL ENQUIRIES TO</b> Telephone: +61 1300 288 664
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If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice.

## Voting entitlement

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the shares at 4.00pm (Perth time) on 28 November 2022. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## Signing instructions

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

<b>Individual:</b>	Where the holding is in one name, the holder must sign.
<b>Joint Holding:</b>	Where the holding is in more than one name, either holder may sign.
<b>Power of Attorney:</b>	To sign under Power of Attorney, please attach a certified photocopy of the Power of Attorney to this form when you return it.
<b>Companies:</b>	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 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.

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

Holder Number:

Your proxy voting instruction must be received by **2.00pm (Perth Time) on Monday, 28 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, either Shareholder may sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

## Lodging your Proxy Voting Form:

### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

### BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

