



7 August 2024

## GENERAL MEETING - NOTICE AND PROXY FORM

Dear Shareholder,

Canyon Resources Limited (ABN 13 140 087 261) (**Company**) advises that a General Meeting (**Meeting**) of shareholders will be held at 1202 Hay St, West Perth, Western Australia, on Monday, 9 September 2024 at 2.00pm (WST).

If the Company makes any alternative arrangements to the way in which the meeting is held, Shareholders will be notified by way of an announcement on ASX and the details will also be made available on the Company's website at <https://canyonresources.com.au>.

In accordance with section 110D(1) of the *Corporations Act 2001* (Cth), the Company will not be sending hard copies of the Notice of Meeting (**Notice**) to shareholders unless a shareholder has made a valid election to receive such documents in hard copy. The Notice can be viewed and downloaded from the Company's website at <https://canyonresources.com.au> or ASX at [www2.asx.com.au](http://www2.asx.com.au) (ASX code – CAY).

The Company strongly encourages shareholders to lodge a directed proxy form prior to the meeting. Shareholders can lodge their vote by following the instructions on your enclosed personalised proxy form.

Your proxy form must be received by 2.00pm (WST) on Saturday, 7 September 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy forms received after that time will not be valid for the Meeting.

Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [info@canyonresources.com.au](mailto:info@canyonresources.com.au) by 5.00pm (WST) on Monday, 2 September 2024. Shareholders who physically attend the Meeting will also have the opportunity to submit questions during the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties obtaining a copy of the Notice, please contact the Company's share registry, Computershare, on 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

The Company encourages shareholders to provide an email address so we can communicate with you electronically for items such as notices of meeting and annual reports. 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 or update your communication preferences, please contact the Company's share registry, Computershare, on [www.investorcentre.com/contact](http://www.investorcentre.com/contact).

Yours sincerely

Matt Worner  
Company Secretary



# Canyon Resources Limited

ABN 13 140 087 261

## **NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

**Date of Meeting**

**Monday, 9 September 2024**

**Time of Meeting**

**2.00pm (AWST)**

**Place of Meeting**

**1202 Hay St, West Perth WA 6005**

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the Proxy Form in accordance with the specified directions.

# Canyon Resources Limited

## ABN 13 140 087 261

### NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Canyon Resources Limited ABN 13 140 087 261 will be held at 1202 Hay St, West Perth WA 6005 on Monday, 9 September 2024 at 2.00pm (AWST) for the purpose of transacting the following business referred to in this Notice of General Meeting.

The Company will update Shareholders if changing circumstances will impact the planning or arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at <https://canyonresources.com.au/>.

### AGENDA

#### 1 Resolution 1 – Grant of Options to Mr Mark Hohnen (or his nominee(s))

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 15,000,000 Options for no consideration, with each Option having an exercise price of \$0.10 and an expiry date of 3 years from the date of issue, to Mr Mark Hohnen (or his nominee(s)), on the terms and conditions set out in the Explanatory Memorandum (including Annexures A and B to the Explanatory Memorandum).”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) Mr Mark Hohnen (and his nominee(s)), and other persons referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (or their nominee(s)); or
- (b) an Associate of those persons.

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

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

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

## 2 Resolution 2 – Approval of potential termination benefit to Mr Mark Hohnen in relation to Options issued pursuant to the Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“Subject to the passing of Resolution 1, that for the purposes of Listing Rule 10.19 and Part 2D.2 of the Corporations Act, and for all other purposes, approval be given for the giving of potential termination benefits under the terms of the Options and the Plan to Mr Mark Hohnen in connection with him ceasing to hold a managerial or executive office as set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Mr Mark Hohnen or an officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit; and
- (b) an Associate of those persons.

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

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

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

## OTHER BUSINESS

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**To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.**

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Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

**By order of the Board**

**Mr Matt Worner**  
Company Secretary  
Dated: 7 August 2024

## How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. In accordance with the Corporations Act, to be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act.

## Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint a proxy. A proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy must specify the manner in which the proxy is to vote in respect of a particular Resolution.
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1 and 2 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment 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.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support the Resolution proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to the proposed Resolution. These rules are explained in this Notice.
- To be effective, proxies must be received by 2.00pm (AWST) on Saturday, 7 September 2024. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  - by returning a completed Proxy Form to:  
Share Registry: Computershare Investor Services Pty Limited, GPO Box 242,  
Melbourne VIC 3001, Australia
  - or
  - by faxing a completed Proxy Form to 1800 783 447 within Australia or +61 3 9473 2555 outside Australia;
  - or
  - by recording the proxy appointment and voting instructions via the internet at using the details set out in the Proxy Form attached to this Notice of Meeting. Only registered Shareholders may access this facility and will need their Holder Identification Number (**HIN**) or Securityholder Reference Number (**SRN**).
- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 2.00pm (AWST) on Saturday, 7 September

2024. If facsimile transmission is used, the Power of Attorney must be certified.

**Shareholders who are entitled to vote**

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5:00pm (AWST) on Saturday, 7 September 2024.

# **Canyon Resources Limited**

## **ABN 13 140 087 261**

### **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolution contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

#### **1 Resolution 1 – Grant of Options to Mr Mark Hohnen (or his nominee(s))**

As announced on 28 March 2024, the Company appointed Mr Mark Hohnen as Executive Chairman of the Company, effective 1 April 2024. In connection with that appointment, the Company proposed to grant up to 15,000,000 Options (each with an exercise price of \$0.10 and an expiry date of 3 years from the date of issue) to Mr Mark Hohnen (or his nominee(s)), which was subject to Shareholder approval. The Company is now seeking that Shareholder approval pursuant to Resolution 1.

##### **1.1 Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Mark Hohnen is a related party of the Company.

Shareholder approval is not being sought in relation to Resolution 1 for the purposes of section 208 of the Corporations Act on the basis that the benefits are considered by the Board (in the absence of Mr Mark Hohnen) to constitute reasonable remuneration and therefore, the exception in section 211 of the Corporations Act applies to Resolution 1.

Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

The grant of Options encourage Mr Mark Hohnen to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in the absence of Mr Mark Hohnen) that the incentives intended for Mr Mark Hohnen (or his nominee(s)) represented by the grant of these Options are a cost effective and efficient means for the Company to provide reasonable remuneration for Mr Hohnen's new role as Executive Chairman and as a reward and an incentive, as opposed to alternative forms of remuneration or incentive, such as the payment of additional cash compensation.

The number of Options to be granted to Mr Mark Hohnen (or his nominee(s)) has been determined based upon a consideration of:

- (a) the remuneration of the Directors;

- (b) the extensive experience and reputation of Mr Mark Hohnen within the mining industry;
- (c) the current price of Shares;
- (d) the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Options to be granted and will ensure that Mr Mark Hohnen's overall remuneration is in line with market practice;
- (e) attracting and retaining suitably qualified directors; and
- (f) incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.

## 1.2 Mr Mark Hohnen's total remuneration package

Mr Mark Hohnen's fees per annum (including superannuation) and the total financial benefit to be received by him in this current period, as a result of the grant of the Options the subject of Resolution 1, are as follows:

Director	Fees p.a. (\$)	Value of current Options <sup>1</sup>	Value of Options the subject of Resolution 1 (\$)	Total Financial Benefit (\$)
Mr Mark Hohnen	150,000	53,024	630,000	833,024

1. 3,000,000 Options were issued to Mr Mark Hohnen under the Plan in November 2022.

The Company's advisers have valued the Options to be granted to Mr Mark Hohnen using the Black – Scholes Model. The value of an Option calculated by the Black – Scholes Model is a function of a number of variables. The valuation of the Black – Scholes Model has been prepared using the following assumptions:

Variable	Input
Share price	\$0.073
Exercise price	\$0.10
Risk Free Interest Rate	3.98%
Volatility	100%
Time (years to expiry)	3

The Company's advisers have calculated the value of each Option based on the following assumptions:

- (a) they have based the underlying value of each Share in the Company on the ASX closing price of A\$0.073 on 16 July 2024;
- (b) risk free rate of return – 3.98% (estimated, based on the Reserve Bank of Australia); and
- (c) they used a volatility of the Share price of 100%.



Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

Based on the assumptions, it is considered that the estimated average value of the Options to be granted to Mr Mark Hohnen is \$0.042 per Option.

### **1.3 Directors' recommendation**

The Directors (who have no interest in the outcome of the Resolution) recommend that Shareholders vote in favour of Resolution 1. Mr Mark Hohnen declines to make a recommendation about Resolution 1 as he may have a material personal interest in the outcome of this Resolution as it relates to the proposed grant of Options to him (or his nominee(s)). The Board is not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

### **1.4 Information Requirements – Listing Rules 10.14 and 10.15**

Listing Rule 10.14 provides that the Company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- a director of the Company (Listing Rule 10.14.1);
- an Associate of a director of the Company (Listing Rule 10.14.12); or
- a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

The proposed grant of Options to Mr Mark Hohnen (or his nominee(s)) pursuant to Resolution 1 falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

If Resolution 1 is passed, the Company will grant the Options to Mr Mark Hohnen (or his nominee(s)) as noted above.

If Resolution 1 is not passed, the Company will not grant the Options to Mr Mark Hohnen (or his nominee(s)) and the Company may need to consider alternative ways to remunerate Mr Mark Hohnen, including by the payment of cash.

The following further information is provided to Shareholders for the purposes of Listing Rule 10.15:

- (a) the Options will be granted to Mr Mark Hohnen (or his nominee(s)), as noted above;
- (b) Mr Mark Hohnen is a Director and is therefore a Listing Rule 10.14.1 party;
- (c) up to 15,000,000 Options will be granted to Mr Mark Hohnen (or his nominee(s));
- (d) Mr Mark Hohnen is a Director of the Company and the issue of Options the subject of Resolution 1 is intended to remunerate or incentivise Mr Mark Hohnen, whose current total remuneration package is set out above in paragraph 1.2;
- (e) Mr Mark Hohnen has previously been issued 3,000,000 Options for no consideration under the Plan;
- (f) the terms and conditions of the Options are set out in Annexure B to this Explanatory Memorandum;

- (g) the Options will be granted on a date which will be no later than 3 years after the date of this Meeting;
- (h) the Options will be granted for no consideration;
- (i) a summary of the material terms of the Plan is set out in Annexure A;
- (j) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (k) any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution is approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (l) a voting exclusion statement applies to Resolution 1 as set out in the Notice of Meeting.

## **1.5 Voting**

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolution.

## **2 Resolution 2 – Approval of potential termination benefit to Mr Mark Hohnen in relation to Options issued pursuant to the Plan**

Subject to Shareholder approval of Resolution 1, Shareholder approval is also sought pursuant to Part 2D.2 of the Corporations Act and ASX Listing Rule 10.19 and for all other purposes to approve the giving of benefits under the terms of the Options and the Plan to Mr Mark Hohnen in connection with him ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company on the terms and conditions in this Explanatory Memorandum. If Resolution 1 is not approved at the Meeting, this Resolution 2 will not be put to the Meeting.

The term "benefit" has a wide operation and would include any discretion to determine that an Option has not lapsed upon termination or cessation of employment in accordance with their terms.

The Plan allows for Board discretion to determine that part or all of the Options granted under the Plan will not automatically lapse upon the participant ceasing to be employed. The Board may exercise this discretion in circumstances where it believes it is reasonable to do so, such as where Mr Mark Hohnen ceases employment due to redundancy, mental illness, total and permanent disability or terminal illness.

The exercise of this discretion by the Board may constitute a "benefit" for the purposes of section 200B of the Corporations Act and ASX Listing Rule 10.19. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of Mr Mark Hohnen who may hold:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of his leaving or at any time in the three years prior to his leaving; and
- (b) Options under the Plan at the time of his leaving.

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's share price at the time of cessation of employment, the number of Options that Mr Mark Hohnen holds at the time he ceases employment or office and whether the Board exercises its discretion in relation to all or part of the Options.

## 2.1 Part 2D.2 of the Corporations Act

Part 2D.2 of the Corporations Act restricts the benefits that can be given to persons who hold a “managerial or executive office” (as defined in the Corporations Act), or persons who have in the 3 years before their termination held a managerial or executive office, on leaving their employment with the Company or ceasing to be appointed as a director of the Company or any of its related bodies corporate, unless an exception applies.

Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, which will include Mr Mark Hohnen.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E of the Corporations Act or another exemption applies.

Accordingly, Shareholder approval is sought for the purposes of section 200E of the Corporations Act to allow the Company to deal with the Options upon termination or cessation of employment of Mr Mark Hohnen in accordance with the terms and conditions of the Options and the Plan, where to do so would involve giving a “benefit” to Mr Mark Hohnen in connection with him ceasing to hold a managerial or executive office.

The approval is sought in relation to the Options proposed to be granted to Mr Mark Hohnen under Resolution 1.

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying Section 200F(2)(b) or Section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

## 2.2 Listing Rule 10.19

Shareholder approval of the benefits that may be given to Mr Mark Hohnen by virtue of the exercise of Board discretion under the terms of the Options and the Plan as set out above upon termination or cessation of Mr Mark Hohnen’s employment is also sought under Listing Rule 10.19.

Listing Rule 10.19 provides that without shareholder approval, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**). Accordingly, Shareholder approval is being sought on the basis that, if Resolution 2 is passed, officers of the Company (including Mr Mark Hohnen) may be entitled to termination benefits under the Plan which exceed the 5% Threshold.

Depending upon the value of the termination benefits (see above), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if the giving of the benefits would exceed the 5% Threshold. In the event of such termination benefits crystallising, the Company will comply with Listing Rule 10.19, including seeking Shareholder approval in accordance with Listing Rule 10.19.

If the Resolution is passed, the Company will be able to give termination benefits which may exceed the 5% Threshold to Mr Mark Hohnen in connection with him ceasing to hold a managerial or executive office in accordance with the terms of the Options and the Plan.

If the Resolution is not passed, the Company will not be able to give termination benefits to Mr Mark Hohnen in connection with him ceasing to hold a managerial or executive office in accordance with the rules of the Plan where those termination benefits exceed the 5% Threshold.

The Chair intends to vote all available proxies in favour of this Resolution.

## GLOSSARY

**\$** means Australian dollars.

**Accounting Standards** has the meaning given to that term in the Corporations Act.

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

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

**AWST** means western standard time as recognised in Perth, Western Australia.

**Board** means the Directors.

**Chair** means the individual elected to chair any meeting of the Company from time to time.

**Closely Related Party** has the meaning given to that term in the Corporations Act.

**Company** means Canyon Resources Limited ABN 13 140 087 261.

**Constitution** means the Company's constitution, as amended from time to time.

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

**Directors** means the directors of the Company.

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

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

**Key Management Personnel** has the meaning given to that term in the Accounting Standards.

**Incentives** means conditional rights to receive Equity Securities in the form of Shares, Options and/or Performance Rights under the Plan.

**Listing Rules** means the ASX Listing Rules.

**Meeting** means the General Meeting convened by the Notice.

**Notice** or **Notice of Meeting** means this Notice of General Meeting.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Plan** means the Company's Employee Awards Plan adopted on 21 November 2022.

**Proxy Form** means the proxy form accompanying the Notice by way of email where the Shareholder has elected to receive notices by email, or the personalised proxy form accompanying the postcard circulated by way of post where the Shareholder has not elected to receive notices by email.

**Resolution** means a resolution contained in the Notice.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

**Shareholder** means a member of the Company from time to time.

**Shares** means fully paid ordinary shares in the capital of the Company.

## **Annexure A – Summary of terms of the Plan**

- (a) **Eligibility:** The Board may (in its absolute discretion) provide an offer to an Eligible Employee of a Group Company to participate in the Plan (**Offer**). Where such person (or a permitted nominee of such person) accepts the Offer, he or she will become a participant under the Plan (**Participant**).
- (b) **Issue cap:** Offers made under the Plan which require the payment of monetary consideration by the Participant in respect of the issue, transfer or exercise of an Incentive are subject to an issue cap of 5% of the number of Shares on issue (as adjusted or increased as permitted by law and under the Constitution from time to time).
- (c) **Offer:** The Board may make an Offer at any time. Where an Offer is made under the Plan which requires the payment of monetary consideration by the Participant in respect of the issue, transfer or exercise of an Incentive then, subject to limited exceptions, the Offer must include the following information:
  - (i) the name and address of the person to whom the Offer is being made to;
  - (ii) the date of the Offer;
  - (iii) the first acceptance date (which must be at least 14 days after receiving the Offer) and the final acceptance date that the person can accept the Offer;
  - (iv) the number of Options, Performance Rights or Shares being offered and the maximum number which can be applied for;
  - (v) the amount payable per Incentive by the person on application for the Incentives offered (if any), or the manner of determining such amount payable;
  - (vi) the conditions (if any) determined by the Board which are required to be satisfied, reached and met before an Incentive will be issued, and whether not it is issued subject to further vesting conditions;
  - (vii) the vesting conditions attaching to the Incentive (if applicable);
  - (viii) the first exercise date and last exercise date of the Incentives;
  - (ix) the exercise price (if any) or the manner of determining the exercise price of the Incentives;
  - (x) the vesting period (if any) of the Incentives;
  - (xi) general information about the risks of acquiring and holding the Incentives (and underlying Shares) the subject of the Offer;
  - (xii) a copy of the Plan;
  - (xiii) any other specific terms and conditions applicable to the Offer;
  - (xiv) to the extent required by applicable law:
    - (A) an explanation of how an Eligible Employee could, from time to time, ascertain the market price of the Shares underlying the Options or Performance Rights;
    - (B) the terms of any loan or contribution plan under which an Eligible Employee may obtain Incentives, or a summary of the terms of the

loan together with a statement that the Participant can request a copy of the terms;

- (C) the trust deed of any trust that will hold Incentives on trust for an Eligible Employee, or a summary of the terms of the trust deed together with a statement that the Participant can request a copy of the trust deed;
- (D) a copy of any disclosure document prepared by the Company under Part 6D.2 of the Corporations Act in the 12 months before the date of the Offer; and
- (E) any other information required by applicable laws; and

(xv) a prominent statement to the effect that:

- (A) any advice given by the Company in relation to Incentives issued under the Plan, and Shares issued upon exercise of the Options or Performance Rights, does not take into account an Eligible Employee's objectives, financial situation and needs; and
- (B) the Eligible Employee should obtain their own financial product advice in relation to the Offer from a person who is licensed by ASIC to give such advice.

- (d) **Terms of Offer:** The terms and conditions applicable to an Offer, and any accompanying document, must not include any misleading or deceptive statements, or omit any information that would result in those materials becoming misleading or deceptive. The Company must provide the Participant with an updated Offer as soon as practicable after becoming aware that the document that was provided has become out of date, or is otherwise not correct, in a material respect.
- (e) **Issue Price:** The issue price (if any) in respect of the Incentives granted under the Plan is as determined by the Board at its discretion.
- (f) **Nominees:** An Eligible Employee may, by notice in writing to the Board and subject to applicable laws, nominate a nominee in whose favour the Eligible Employee wishes the Incentives to be issued. The nominee may be an immediate family member of the Eligible Employee, a corporate trustee of a self-managed superannuation fund where the Eligible Employee is a director of the trustee or a company whose members comprise no persons other than the Eligible Employee or immediate family members of the Eligible Employee. The Board may, in its sole and absolute discretion, decide not to permit the Incentives to be issued to a nominee.
- (g) **Dealing:** Incentives may not be sold, assigned, transferred or otherwise dealt with except on the death of the Participant in limited circumstances or with the prior consent of the Board.
- (h) **Vesting:** An Incentive will vest when the Participant receives a vesting notice from the Company confirming that the vesting conditions attaching to the Incentives are met or waived. The Board may, in its sole and absolute discretion, and subject to the Listing Rules, reduce or waive any vesting conditions, and/or determine that an unvested Incentive will immediately vest and become immediately exercisable upon:
  - (i) a takeover bid (as defined in the Corporations Act) becoming or being declared unconditional;

- (ii) the Court sanctioning a compromise or arrangement relating to the Company under Part 5.1 of the Corporations Act;
  - (iii) any other merger, consolidation or amalgamation involving the Company occurring which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
  - (iv) any Group Company entering into agreements to sell in aggregate a majority in value of the businesses or assets of the Group to a person, or a number of persons, none of which are Group Companies; or
  - (v) the Board determining in its reasonable opinion that control of the Company has or is likely to change or pass to one or more persons.
- (i) **Exercise of Incentive:** Upon receiving a vesting notice with respect to their Incentives, a Participant may exercise those Incentives by delivery to the Company Secretary of the certificate for the Incentives (if any), a signed notice of exercise and payment equal to the exercise price (if any) for the number of Incentives sought to be exercised.
- (j) **Lapse of Incentive:** Unless otherwise determined by the Board, an Incentive will not vest and will lapse on the earlier of:
- (i) the Board determining that the vesting conditions attaching to the Incentive have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
  - (ii) the day immediately following the last exercise date; or
  - (iii) with respect of unvested Incentives, the date the Participant ceases employment, engagement or office with the Company, subject to certain exceptions.
- (k) **Issue of Shares on vesting of Options or Performance Rights:** Following exercise of the Options or Performance Rights, the Company will, subject to the terms of the Company's relevant policies, issue or transfer Shares to that Participant and apply for official quotation or listing of those Shares on the ASX if applicable. Unless and until the Options or Performance Rights have been exercised and the relevant Shares issued to that Participant as a result of that exercise, a Participant has no right or interest in those Shares.
- (l) **Ranking of Shares:** Shares issued upon exercise of the Options or Performance Right will rank equally in all respects with existing Shares, except for entitlements which had a record date before the date of the issue of that Share.
- (m) **Adjustment of Options or Performance Rights:** If, prior to the vesting of an Option or Performance Right, there is a reorganisation of the issued share capital of the Company (including a consolidation, sub-division or reduction of capital or return of capital to Shareholders), the number of Options or Performance Rights to which a Participant is entitled will be adjusted in a manner required by the Listing Rules.
- (n) **Clawback:** If the Board determines that:
- (i) a Participant (or Eligible Employee who has nominated a nominee to receive the Incentives) at any time:
    - (A) has been dismissed or removed from office for a reason which entitles a Group Company to dismiss the Participant (or Eligible Employee) without notice;

- (B) has been convicted on indictment of an offence against the Corporations Act in connection with the affairs of a Group Company;
- (C) has had a judgement entered against him or her in civil proceedings in respect of the contravention by the Participant (or Eligible Employee) of his or her duties at law, in equity or under statute in his or her capacity as an executive or Director of a Group Company;
- (D) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of that body corporate (whether or not charged with an offence);
- (E) is in material breach of any of his or her duties or obligations to a Group Company; or
- (F) has done an act which brings a Group Company into disrepute,

then the Board may determine that all unvested Shares held by the Participant will be forfeited and any Options or Performance Rights held by the Participant will lapse; and

- (ii) there has been a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means that the relevant vesting conditions (if any) to an Incentive which has vested were not, or should not have been determined to have been satisfied, then the Participant shall cease to be entitled to those vested Incentives and the Board may:

- (A) by written notice to the Participant cancel the relevant Options or Performance Rights for no consideration or determine that the relevant Shares are forfeited;
- (B) by written notice to the Participant require that the Participant pay to the Company the after tax value of the relevant Incentives, with such payment to be made within 30 Business Days of receipt of such notice; or
- (C) adjust fixed remuneration, incentives or participation in the Plan of a relevant Participant in the current year or any future year to take account of the after tax value of the relevant Incentives.

- (o) **Amendments to the Plan:** Subject to and in accordance with the Listing Rules, the Board may amend, revoke, add to or vary the Plan (without the necessity of obtaining the prior or subsequent consent or approval of Shareholders of the Company), provided that rights or entitlements in respect of any Option, Performance Right or Share granted before the date of the amendment shall not be reduced or adversely affected without the prior written consent of the Participant affected by the amendment.



## **Annexure B – Summary of terms of the Options**

The terms of the Options proposed to be granted to Mr Mark Hohnen (or his nominee(s)) are set out below (and are otherwise governed by the terms of the Plan):

- (a) Each Option entitles the holder to subscribe for one Share.
- (b) The Options will be issued for nil consideration.
- (c) The exercise price for the Options is \$0.10 each (**Exercise Price**).
- (d) The Options will lapse at 5.00pm (AWST) on the date 3 years from their date of issue (**Expiry Date**).
- (e) The Options are not transferable.
- (f) The Options will not be quoted.
- (g) There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
- (h) Subject to all applicable laws, Optionholders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options.
- (i) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (j) The Options shall be exercisable at any time before the Expiry (**Exercise Period**) by the delivery to the registered office of the Company of a notice in writing (**Exercise Notice**) stating the intention of the Optionholder to exercise all or a specified number of Options held by them accompanied by an Option Certificate and a cheque made payable to the Company or an electronic payment, of the aggregate Exercise Price of the Options being exercised. The Exercise Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Optionholder to the balance of the Options held by the Optionholder.
- (k) The Company shall allot the resultant Shares and deliver or arrange delivery of a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
- (l) The Shares allotted shall rank, from the date of allotment, equally with the then existing ordinary Shares of the Company in all respects.
- (m) If there is a bonus share issue (**Bonus Issue**) to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.
- (n) If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the Exercise Price of an Option will be

reduced according to the formula provided for in the Listing Rules (whether or not the Company is listed on the ASX at the time).

- (o) The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.

## Need assistance?

**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Saturday, 7 September 2024.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 183931**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark ☒ to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Canyon Resources Limited hereby appoint

☐ the Chair of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chair of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Canyon Resources Limited to be held at 1202 Hay St, West Perth, WA 6005 on Monday, 9 September 2024 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 2 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 2 are connected directly or indirectly with the remuneration of a member of key management personnel, which may include the Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1 and 2 by marking the appropriate box in step 2.

## Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Grant of Options to Mr Mark Hohnen (or his nominee(s))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of potential termination benefit to Mr Mark Hohnen in relation to Options issued pursuant to the Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

CAY

3 1 0 8 1 5 A



Computershare

