

23 October 2023

Dear Shareholder

Annual General Meeting – Notice of Meeting and Proxies

Notice is given that the Annual General Meeting (**Meeting**) of Shareholders of Minerals 260 Limited (ACN 650 766 911) (**Company**) will be held as follows:

Time and date: 9.00am (Perth time) on Friday, 24 November 2023

Location: The Westin Perth, 480 Hay Street, Perth WA 6000

Notice of Meeting

In accordance with the *Corporations Act 2001* (Cth) the Company will not be dispatching physical copies of the Notice of Meeting unless individual shareholders have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded from:

- the Company's website at minerals260.com.au/asx-announcements/; and
- the ASX market announcements page under the Company's code "MI6".

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.

Voting at the Meeting or by proxy

Shareholders are encouraged to vote by lodging a proxy form.

Proxy forms can be lodged:

- **Online:** <https://investor.automic.com.au/#/loginsah>
- **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
- **By fax:** +61 2 8583 3040
- **By mobile:** Scan the QR Code on your Proxy Form and follow the prompts

Your proxy voting instruction must be received by 9.00am (Perth time) on Wednesday, 22 November 2023 being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Meeting Materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Authorised for release by:

Curtis Abbott
Company Secretary
Minerals 260 Limited

Minerals 260

ASX:MI6

ABN: 34 650 766 911

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held as follows:

Time and date: 9.00am (AWST) on Friday, 24 November 2023

Location: The Westin Perth, 480 Hay Street, Perth WA 6000

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by telephone on (08) 6556 6020.

Shareholders are urged to vote by lodging the Proxy Form attached to the Notice.



Notice of Annual General Meeting

Notice is given that the annual general meeting of Shareholders of Minerals 260 Limited (**Company**) will be held at The Westin Perth, 480 Hay Street, Perth WA 6000 on Friday, 24 November 2023 at 9.00am (AWST) (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders as at 5.00pm (AWST) on Wednesday, 22 November 2023.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of the Notice.

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: There is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Adoption of Remuneration Report

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

“That, for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report for the financial year ended 30 June 2023 be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.”

Note: The vote on this resolution is advisory only and does not bind the Directors of the Company.

Resolution 2– Election of Director – David Richards

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

“That in accordance with Article 7.6(c) of the Constitution, Listing Rule 14.4 and for all other purposes, Mr David Richards, retires and, being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum.”

Resolution 3 – Approval of 10% Placement Facility (LR 7.1A)

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling 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 and on the terms and conditions in the Explanatory Memorandum.”

Resolution 4 – Approval of issue of Director Options

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

“That, pursuant to and in accordance with Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of the Director Options to the Directors (or their respective nominees) under the Plan as follows:

- (a) up to 1,500,000 Director Options to Anthony Cipriano;*
- (b) up to 1,500,000 Director Options to David Richards;*
- (c) up to 1,000,000 Director Options to Timothy Goyder; and*
- (d) up to 1,000,000 Director Options to Emma Scotney,*

on the terms and conditions in the Explanatory Memorandum.”

Resolution 5 – Ratification of issue of Nardoo Consideration Shares

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

‘That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 7,000,000 Nardoo Consideration Shares to eMetals Limited (EMT) (or its nominees), on the terms and conditions in the Explanatory Memorandum.’

Resolution 6 – Ratification of issue of Yinnetharra Consideration Shares

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

‘That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 7,000,000 Yinnetharra Consideration Shares to White Cliff Minerals Limited (WCN) (or its nominees), on the terms and conditions in the Explanatory Memorandum.’

Resolution 7 – Modification of existing Constitution

To consider and, if thought fit, to pass without or without amendment, as a **special resolution** the following:

‘That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution of the Company be modified by making the amendments contained in the document tabled at this Meeting and signed by the Chair for the purposes of identification, with effect from the date this resolution is passed.’

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 3 if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any associate of those persons;
- (b) Resolution 4(a) by or on behalf of Anthony Cipriano (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (c) Resolution 4(b) by or on behalf of David Richards (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (d) Resolution 4(c) by or on behalf of Timothy Goyder (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (e) Resolution 4(d) by or on behalf of Emma Scotney (or her nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (f) Resolution 5 by or on behalf of a person who participated in the issue of the Nardoo Consideration Shares, being EMT, or any of its nominees or their associates; and
- (g) Resolution 6 by or on behalf of a person who participated in the issue of the Yinnetharra Consideration Shares, being WCN, or any of its nominees or their associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on these Resolutions, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution, but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 4(a) to (d) (inclusive): In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (a) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Further, in accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

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

BY ORDER OF THE BOARD



Curtis Abbott
Company Secretary
Minerals 260 Limited
Dated: 6 October 2023

Minerals 260 Limited
ACN 650 766 911
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Westin Perth, 480 Hay Street, Perth WA 6000 on Friday, 24 November 2023 at 9.00am (AWST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

| | |
|------------|--|
| Section 2 | Voting and attendance information |
| Section 3 | Annual Report |
| Section 4 | Resolution 1 – Adoption of Remuneration Report |
| Section 5 | Resolution 2 – Election of Director – David Richards |
| Section 6 | Resolution 3 – Approval of 10% Placement Facility (LR 7.1A) |
| Section 7 | Resolution 4 – Approval of issue of Director Options |
| Section 8 | Resolution 5 – Ratification of issue of Nardoo Consideration Shares |
| Section 9 | Resolution 6 – Ratification of issue of Yinnetharra Consideration Shares |
| Section 10 | Resolution 7 – Modification of existing Constitution |
| Schedule 1 | Definitions |
| Schedule 2 | Summary of material terms of the Plan |
| Schedule 3 | Terms and conditions of Director Options |
| Schedule 4 | Valuation of Director Options |

2. Voting and attendance information

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

2.1 Voting in person

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

2.2 Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are encouraged to vote by completing and returning the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting. Your proxy voting instruction must be received by 9.00am (AWST) on Wednesday, 22 November 2023, being not later than 48 hours before the commencement of the Meeting.

2.3 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention. 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.

Subject to the following paragraph, if the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1 and Resolution 4(a) to (d) (inclusive) by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

If the Chair is a person referred to in the voting prohibition statement applicable to a Resolution (under section 224 of the Corporations Act), the Chair will only be able to cast a vote as proxy for you on the relevant Resolution if you are entitled to vote and have specified your voting intention in the Proxy Form.

2.4 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at cosec@minerals260.com.au by 5:00pm (AWST) on Friday, 17 November 2023.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

2.5 Notice of members' rights

Shareholders have the right to elect to:

- (a) be sent certain documents in physical form;
- (b) be sent certain documents in electronic form; or
- (c) not be sent certain documents at all.

A notice of these rights and how Shareholders can make an election and/or request is available on the Company's website at minerals260.com.au/shareholder-services/.

3. Annual Report

In accordance with section 317 of the Corporations Act and the Company's Constitution, Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2023.

There is no requirement for Shareholders to approve these reports.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Financial Report, Directors' Report and Auditor's Report, which are included in the Company's Annual Report available online at minerals260.com.au/asx-announcements/ or on the ASX platform for "MI6" at www.asx.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

4. Resolution 1 – Adoption of Remuneration Report

4.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2022 annual general meeting held on 22 November 2022. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

4.2 **Board recommendation**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

5. Resolution 2 – Election of Director – David Richards

5.1 **General**

Article 7.6(a) of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Article 7.6(c) of the Constitution and Listing Rule 14.4 both provide that a Director appointed under Article 7.6(a) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Article 7.6(c) of the Constitution provides that a Director who retires in accordance with Article 7.6(c) holds office until the conclusion of the Meeting but is eligible for election at the Meeting.

Mr David Richards was appointed as a Director on 4 June 2021 upon the Company's incorporation. Mr Richards commenced as Managing Director upon the receipt of conditional approval for admission to the official list of ASX. On 1 July 2023, Mr Richards transitioned to Executive Director. Having been appointed as a Director from incorporation of the Company

and subsequently exempt from election as the Managing Director, Mr Richards has not been elected at a previous annual general meeting.

Accordingly, Mr Richards retires as a Director at this Meeting and, being eligible and offering himself for election, seeks approval to be elected as a Director.

5.2 Mr David Richards

BSc (Hons), MAIG

Mr Richards is a geologist with over 40 years' experience in mineral exploration in Australia, Southeast Asia and eastern Africa. His career includes exploration and resource definition for a variety of deposit styles, and he led the team that discovered the Kathleen Valley and Buldania lithium deposits in Western Australia, as well as the multi-million ounce, high grade Vera-Nancy gold deposits in North Queensland. He was the founding Managing Director of Minerals 260 (October 2021 – June 2023) and the Managing Director of Liotown Resources Limited from 2010 to 2021 and Glengarry Resources Limited from 2003 to 2009.

Mr Richards is also currently a Non-Executive Director of Woomera Minerals Limited.

Mr Richards does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Mr Richards' background and experience and that these checks did not identify any information of concern.

Mr Richards has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Mr Richards is currently an Executive Director of the Company. Subject to his election, Mr Richards will transition to Non-Executive Director effective 25 November 2023. Mr Richards will remain Non-Independent due to there not being at least three years between ceasing employment in an executive capacity and being on the Board of the Company.

If elected, Mr Richards is not considered by the Board (with Mr Richards abstaining) to be an independent Director due to his executive position with the Company.

5.3 Board recommendation

The Board (other than Mr Richards who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of Resolution 2 for the following reasons:

- (a) Mr Richards' skills and significant experience as a geologist, Director and industry experience are important additions to the Board's existing skills and experience; and
- (b) having previously been the Managing Director of the Company, Mr Richards' broad experience across geological, industry, corporate, governance, financial and technical matters will continue to be invaluable to the Company in his role as Non-Executive Director.

5.4 Additional information

Resolution 2 is an ordinary resolution.

6. Resolution 3 – Approval of 10% Placement Facility (LR 7.1A)

6.1 General

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

Resolution 3 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

If Resolution 3 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 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

6.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

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

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$102 million, based on the closing price of Shares (\$0.435) on 5 October 2023.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities, being Shares.

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

- A =** is the number of Shares on issue at the commencement of the Relevant Period:
- (A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
 - (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (1) the agreement was entered into before the commencement of the Relevant Period; or
 - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
 - (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
 - (E) plus the number of fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
 - (F) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity, and 'Relevant Period' has the relevant meaning given in Listing Rule 7.1 and 7.1A.2, namely, the 12 month-period immediately preceding the date of the issue or agreement.

D = is 10%.

E = is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 6.2(e)(i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(g) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

6.3 **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 6.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

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

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

If this Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 6.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

| Shares (Variable A in Listing Rule 7.1A.2) | Dilution | | | |
|---|--------------------------|--|------------------------------------|--|
| | Issue price per Share | \$0.2175 50% decrease in Current Market Price | \$0.435 Current Market Price | \$0.87 100% increase in Current Market Price |
| 234,000,000 Shares | 10% Voting Dilution | 23,400,000 Shares | 23,400,000 Shares | 23,400,000 Shares |

| Shares (Variable A in Listing Rule 7.1A.2) | Dilution | | | |
|---|--------------------------|--|------------------------------------|--|
| | Issue price per Share | \$0.2175 50% decrease in Current Market Price | \$0.435 Current Market Price | \$0.87 100% increase in Current Market Price |
| Variable A | Funds raised | \$5,089,500 | \$10,179,000 | \$20,358,000 |
| 351,000,000 Shares | 10% Voting Dilution | 35,100,000 Shares | 35,100,000 Shares | 35,100,000 Shares |
| 50% increase in Variable A | Funds raised | \$7,634,250 | \$15,268,500 | \$30,537,000 |
| 468,000,000 Shares | 10% Voting Dilution | 46,800,000 Shares | 46,800,000 Shares | 46,800,000 Shares |
| 100% increase in Variable A | Funds raised | \$10,179,000 | \$20,358,000 | \$40,716,000 |

Notes:

1. The table has been prepared on the following assumptions:
 - (a) The issue price is the current market price (\$0.435), being the closing price of the Shares on ASX on 5 October 2023, being the latest practicable date before this Notice was signed.
 - (b) Variable A comprises of 234,000,000 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
 - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (d) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
 - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

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

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

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

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

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

(f) **Issues in the past 12 months**

The Company previously obtained Shareholder approval under Listing Rule 7.1A on 22 November 2022. The Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A in the 12-month period preceding the date of the Meeting.

(g) **Voting exclusion statement**

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

6.4 **Additional information**

Resolution 3 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 3.

7. Resolution 4 – Approval of issue of Director Options

7.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 5,000,000 Options to Directors, Anthony Cipriano, David Richards, Timothy Goyder and Emma Scotney, or their respective nominees, under the Plan (**Director Options**) as follows:

| Director | Director Options ⁽¹⁾ |
|--|---------------------------------|
| Anthony Cipriano (<i>Non-Executive Chairman</i>) | 1,500,000 |
| David Richards (<i>Executive Director</i>) | 1,500,000 |
| Timothy Goyder (<i>Non-Executive Director</i>) | 1,000,000 |
| Emma Scotney (<i>Non-Executive Director</i>) | 1,000,000 |
| TOTAL | 5,000,000 |

1. *The Director Options are exercisable at \$0.70 each. The Director Options expire on the date that is 3 years from the date of issue and will vest immediately upon issue. The terms and conditions of the Director Options are in Schedule 3.*

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Director Options seeks to align the efforts of the Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Director Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

Resolution 4(a) to (d) (inclusive) seeks Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act for the issue of up to 5,000,000 Director Options under the Plan to the Directors or their respective nominees.

7.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the entity 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 Shareholders.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Options as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director Options will not be included in the Company's 15% annual placement capacity in Listing

Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolution 4(a) to (d) (inclusive) will be to allow the Company to proceed with the issue of the Director Options to the Directors (or their respective nominees) in the proportions listed above.

If Resolution 4(a) to (d) (inclusive) are not passed, the Company will not be able to proceed with the issue of the Director Options to the Directors (or their respective nominees) and the Company will consider other alternative commercial means to incentivise the Directors, including by the payment of cash, subject to the requirements of the Constitution, Corporations Act and Listing Rules.

Resolution 4(a) to (d) (inclusive) are not conditional on each other, and Shareholders may approve one or all of those Resolutions (in which case, the Director Options the subject of the relevant Resolution(s) will be issued), even though Shareholders have not approved all of these Resolutions.

7.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director Options:

- (a) The Director Options will be issued under the Plan to:
 - (i) Anthony Cipriano pursuant to Resolution 4(a);
 - (ii) David Richards pursuant to Resolution 4(b);
 - (iii) Timothy Goyder pursuant to Resolution 4(c); and
 - (iv) Emma Scotney pursuant to Resolution 4(d),
 or their respective nominees.
- (b) Each of the Directors are a related party of the Company by virtue of being a Director of the Company and falls into the category stipulated by Listing Rule 10.14.1. In the event the Director Options are issued to a nominee of a Director, that nominee will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The maximum number of Director Options to be issued to the Directors (or their respective nominees) under the Plan is 5,000,000, in the proportions set out in Section 7.1 above.
- (d) The current total annual remuneration package for each of the Directors as at the date of this Notice is set out in the table below:

| Director | Salary and fees (inclusive of superannuation) |
|--|---|
| Anthony Cipriano (<i>Non-Executive Chairman</i>) | \$99,900 |
| David Richards (<i>Executive Director</i>) | \$369,500 ⁽¹⁾ |

| | |
|--|----------|
| Timothy Goyder (<i>Non-Executive Director</i>) | \$49,950 |
| Emma Scotney (<i>Non-Executive Director</i>) | \$49,950 |

(1) Mr Richards annual remuneration package will decrease in line with the remuneration packages of Mr Goyder and Ms Scotney upon transition to Non-Executive Director, subject to his election at this Annual General Meeting.

- (e) No Equity Securities have previously been issued under the current Plan to the Directors or their respective nominees.
- (f) The Director Options will be issued on the terms and conditions set out in Schedule 3.
- (g) The Board considers that Options, rather than Shares or Performance Rights, are an appropriate form of incentive because they reward the Directors for their continued service to the Company. Additionally, the issue of Options instead of cash is a prudent means of rewarding the Directors whilst conserving the Company's available cash reserves.
- (h) Using a Black and Scholes valuation model, the Company's valuation of the Director Options is as follows. The valuation is in Schedule 4.

| Director | Valuation of Director Options |
|--|-------------------------------|
| Anthony Cipriano (<i>Non-Executive Chairman</i>) | \$366,000 |
| David Richards (<i>Executive Director</i>) | \$366,000 |
| Timothy Goyder (<i>Non-Executive Director</i>) | \$244,000 |
| Emma Scotney (<i>Non-Executive Director</i>) | \$244,000 |

- (i) The Director Options will be issued to the Directors (or their respective nominees) as soon as practicable following the Meeting and in any event no later than three years after the Meeting.
- (j) The Director Options will be issued for nil cash consideration and will be provided as an incentive component to the Directors' remuneration packages.
- (k) A summary of the material terms of the Plan is in Schedule 2.
- (l) No loan will be provided to the Directors in relation to the issue of the Director Options.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

7.4 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a meeting of directors from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors have a personal interest in the outcome of each of their respective Resolutions under Resolution 4(a) to (d) (inclusive) and have exercised their right under section 195(4) of the Corporations Act to put the issue of the Director Options to the Directors to Shareholders to resolve upon.

7.5 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Director Options constitutes giving a financial benefit to related parties of the Company.

Given the personal interests of all the Directors in the outcome of this Resolution, the Board is seeking Shareholder approval pursuant to Chapter 2E of the Corporations Act in respect of the issue of the Director Options. Notwithstanding that the issue of the Director Options is considered by the Board as reasonable remuneration and therefore falls within the exception stipulated by section 211 of the Corporations Act, the Board considers that there may be potential conflicts of interest should Shareholder approval not be sought.

7.6 Information required under Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Options:

- (a) **Identity of the related parties to whom Resolution 4(a) to (d) (inclusive) would permit financial benefits to be given**

Refer to Section 7.3(a) above.

- (b) **Nature of the financial benefit**

Resolution 4(a) to (d) (inclusive) seeks Shareholder approval to allow the Company to issue the Director Options in the amounts specified in Section 7.1 to the Directors (or their respective nominees).

The Director Options are to be issued in accordance with the Plan and otherwise on the terms and conditions in Schedule 3.

The Shares to be issued upon conversion of the Director Options will be fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

(c) **Board recommendations**

Given the personal interests of all the Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders in relation to Resolution 4(a) to (d) (inclusive).

(d) **Valuation of financial benefit**

Refer to Section 7.3(h) above and Schedule 4.

(e) **Remuneration of the Directors**

Refer to Section 7.3(d) above.

(f) **Existing relevant interest of the Directors**

At the date of this Notice, the Directors hold the following relevant interests in Equity Securities of the Company:

| Director | Shares | Options |
|--|------------|--------------------------|
| Anthony Cipriano (<i>Non-Executive Chairman</i>) | 1,752,268 | 3,000,000 ⁽¹⁾ |
| David Richards (<i>Executive Director</i>) | 2,070,000 | 4,000,000 ⁽²⁾ |
| Timothy Goyder (<i>Non-Executive Director</i>) | 31,157,814 | 2,500,000 ⁽³⁾ |
| Emma Scotney (<i>Non-Executive Director</i>) | 237,767 | 1,750,000 ⁽⁴⁾ |

1. *Comprising:*
 - a. 1,500,000 Options exercisable at \$0.72 each and expiring on 30 September 2024; and
 - b. 1,500,000 Options exercisable at \$0.475 each and expiring on 21 November 2025.
2. *Comprising:*
 - a. 2,000,000 Options exercisable at \$0.72 each and expiring on 30 September 2024; and
 - b. 2,000,000 Options exercisable at \$0.475 each and expiring on 21 November 2025.
3. *Comprising:*
 - a. 1,500,000 Options exercisable at \$0.72 each and expiring on 30 September 2024; and
 - b. 1,000,000 Options exercisable at \$0.475 each and expiring on 21 November 2025.
4. *Comprising:*
 - a. 750,000 Options exercisable at \$0.69 each and expiring on 31 October 2024; and
 - b. 1,000,000 Options exercisable at \$0.475 each and expiring on 21 November

2025.

Assuming that Resolution 4(a) to (d) (inclusive) are approved by Shareholders, all of the Director Options are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised (including any existing Options held by the Directors as at the date of this Notice), the interests of each of the Directors in the Company would (based on the Share capital as at the date of this Notice) be as follows:

- (i) Anthony Cipriano would hold approximately 1.36% of the Company's issued Share capital;
- (ii) David Richards would hold approximately 1.49% of the Company's issued Share capital;
- (iii) Timothy Goyder would hold approximately 13.46% of the Company's issued Share capital; and
- (iv) Emma Scotney would hold approximately 0.52% of the Company's issued Share capital.

(g) **Dilution**

The issue of the Director Options will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Options vest and are exercised. The potential dilution if all Director Options vest and are exercised into Shares is 2.14%. This figure assumes the current Share capital structure as at the date of this Notice and that no Shares are issued other than the Shares issued on exercise of the Director Options.

The exercise of all of the Director Options will result in a total dilution of all other Shareholders' holdings of 1.95% on a fully diluted basis (assuming that all other Securities are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.845 per Share on 3 July 2023

Lowest: \$0.285 per Share on 22 February 2023

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.435 per Share on 5 October 2023.

(i) **Corporate governance**

David Richards is an Executive Director of the Company and therefore the Board (other than David Richards) believe that the grant of those Director Options to David Richards is in line with Recommendation 8.2 of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

The Board notes that the grant of those Director Options to Anthony Cipriano, Timothy Goyder and Emma Scotney is in line with Recommendation 8.2 of the Recommendations and that the grant does not affect the independence of Anthony Cipriano, Timothy Goyder and Emma Scotney as there are no performance-based milestones attaching to those Director Options.

(j) **Taxation consequences**

There are no material taxation consequences for the Company arising from the issue of the Director Options (including fringe benefits tax).

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 4(a) to (d) (inclusive).

7.7 **Additional information**

Each of Resolution 4(a) to (d) (inclusive) is an ordinary resolution.

8. **Resolution 5 – Ratification of issue of Nardoo Consideration Shares**

8.1 **General**

On 7 March 2023, the Company announced that it had entered into an agreement (**Nardoo Agreement**) with eMetals Limited (ASX: EMT) (ACN 142 411 390) (**EMT**), whereby, the Company (through its wholly owned subsidiary ERL (Aust) Pty Ltd) acquired from EMT (through its wholly owned subsidiaries RWG Minerals Pty Ltd and Iron Clad Prospecting Pty Ltd), a 100% interest in the 7 granted exploration licences (**Nardoo Tenements**) that collectively form the Nardoo Project (**Nardoo Project**) (**Nardoo Acquisition**).

Pursuant to the Nardoo Agreement:

- (a) on completion of the Nardoo Acquisition, the Company agreed to issue 7,000,000 Shares at a deemed issue price of \$0.30 per Share to EMT (or its nominees) (**Nardoo Consideration Shares**);
- (b) the Nardoo Consideration Shares were subject to voluntary escrow for 6 months from completion of the Nardoo Acquisition; and
- (c) completion of the Nardoo Acquisition was conditional on the execution of a deed of assignment relating to an underlying royalty on one of the Nardoo Tenements.

The Nardoo Agreement contains additional provisions considered standard for agreements of this nature.

On 24 March 2023, completion of the Nardoo Acquisition occurred and the Company issued the Nardoo Consideration Shares using the Company's available placement capacity under Listing Rule 7.1.

Accordingly, Resolution 5 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.4 to ratify the issue of the 7,000,000 Nardoo Consideration Shares to EMT (or

its nominees) pursuant to the Nardoo Agreement as consideration to acquire the Nardoo Project.

8.2 Listing Rule 7.1 and 7.4

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 shares it had on issue at the start of that period.

The issue of the Nardoo Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Nardoo Consideration Shares.

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

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the additional 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, 7,000,000 Nardoo Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, 7,000,000 Nardoo Consideration Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 7,000,000 Equity Securities for the 12 month period following the issue of those Nardoo Consideration Shares.

8.3 Specific information required by Listing Rule 7.5

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

- (a) The Nardoo Consideration Shares were issued to EMT (or its nominees), none of whom are a related party of the Company.
- (b) 7,000,000 Nardoo Consideration Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Nardoo Consideration Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Nardoo Consideration Shares were issued on 24 March 2023.

- (e) The Nardoo Consideration Shares were issued for nil cash as consideration for the Nardoo Acquisition and have a deemed issue price of \$0.30.
- (f) A summary of the material terms of the Nardoo Agreement is set out in Section 8.1 above.
- (g) A voting exclusion statement is included in the Notice.

8.4 Additional information

Resolution 5 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

9. Resolution 6 – Ratification of issue of Yinnetharra Consideration Shares

9.1 General

On 27 March 2023, the Company announced that it had entered into a binding agreement (**Yinnetharra Agreement**) with White Cliff Minerals Limited (ASX: WCN) (ACN 126 299 125) (**WCN**) whereby, the Company (through its wholly owned subsidiary ERL (Aust) Pty Ltd) acquired from WCN (through its wholly owned subsidiaries Magnet Resource Company Pty Ltd and Electrification Metals Pty Ltd), a 100% interest in the 6 granted exploration licences (**Yinnetharra Tenements**) that collectively form the Yinnetharra Project (**Yinnetharra Project**) (**Yinnetharra Acquisition**).

Pursuant to the Yinnetharra Agreement:

- (a) on completion of the Yinnetharra Acquisition, the Company agreed to:
 - (i) issue 7,000,000 Shares to WCN (or its nominees) (**Yinnetharra Consideration Shares**); and
 - (ii) pay \$100,000 cash to WCN; and
- (b) the Yinnetharra Consideration Shares were subject to voluntary escrow for 6 months from completion of the Yinnetharra Acquisition.

The Yinnetharra Agreement contains additional provisions considered standard for agreements of this nature.

On 6 April 2023, completion of the Yinnetharra Acquisition occurred and the Company issued the Yinnetharra Consideration Shares using the Company's available placement capacity under Listing Rule 7.1.

Accordingly, Resolution 6 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.4 to ratify the issue of the 7,000,000 Yinnetharra Consideration Shares to WCN (or its nominees) pursuant to the Yinnetharra Agreement as consideration to acquire the Yinnetharra Project.

9.2 Listing Rule 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out at Section 8.1 above.

The issue of the Yinnetharra Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Yinnetharra Consideration Shares.

The effect of Shareholders passing Resolution 6 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the additional 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 6 is passed, 7,000,000 Yinnetharra Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 6 is not passed, 7,000,000 Yinnetharra Consideration Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 7,000,000 Equity Securities for the 12 month period following the issue of those Yinnetharra Consideration Shares.

9.3 **Specific information required by Listing Rule 7.5**

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

- (a) The Yinnetharra Consideration Shares were issued to WCN (or its nominees), none of whom are a related party of the Company.
- (b) A total of 7,000,000 Yinnetharra Consideration Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Yinnetharra Consideration Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Yinnetharra Consideration Shares were issued on 6 April 2023.
- (e) The Yinnetharra Consideration Shares were issued for nil cash as partial consideration for the Yinnetharra Acquisition and have a deemed issue price of \$0.335.
- (f) A summary of the material terms of the Yinnetharra Agreement is set out in Section 9.1 above.
- (g) A voting exclusion statement is included in the Notice.

9.4 **Additional information**

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Modification of existing Constitution

10.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 seeks the approval of Shareholders to modify the Company's existing Constitution.

The proposed modifications to the existing Constitution will incorporate recent amendments to the Corporations Act regarding the new regime for the making of offers in connection with employee share schemes under Part 7.12 of the Corporations Act.

The Directors believe that it is preferable in the circumstances to simply modify one provision of the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

A copy of the modified Constitution is available for review by Shareholders at the Company's website minerals260.com.au/ and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary at cosec@minerals260.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 7 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution 7 is passed.

10.2 Summary of material proposed changes

The proposed amendment provides the ability for the Company to increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Plan to 15%. Set out below is the proposed modification to the existing Constitution.

- (a) Insert as new definitions in Article 1.1:

ESS Interests has the meaning under section 1100M(1) of the Corporations Act.

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

- (b) Insert as a new Article 2.8:

2.8 Issue cap for offers involving monetary consideration under an employee incentive scheme

For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:

- (a) *the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and*
- (b) *the total number of Shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made*

under the Company's employee share scheme at any time during the 3 year period ending on the day the offer is made,

does not exceed 15% of the number of Shares actually on issue as at the start of the day the offer is made.

10.3 **Additional information**

Resolution 7 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 7.

Schedule 1 Definitions

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

| | |
|-------------------------------|---|
| \$ | means Australian Dollars. |
| 10% Placement Facility | has the meaning given in Section 6. |
| 10% Placement Period | has the meaning given in Section 6.2(f). |
| 5-day VWAP | means the VWAP calculated over the previous 5 days on which Shares were traded. |
| Annual Report | means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023. |
| ASIC | means the Australian Securities and Investments Commission. |
| ASX | means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited. |
| Auditor's Report | means the auditor's report on the Financial Report. |
| AWST | means Australian Western Standard Time, being the time in Perth, Western Australia. |
| Board | means the board of Directors. |
| Chair | means the person appointed to chair the Meeting of the Company convened by the Notice. |
| Closely Related Party | means: <ul style="list-style-type: none"> (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act. |
| Company | means Minerals 260 Limited (ACN 650 766 911). |
| Constitution | means the constitution of the Company as at the date of the Meeting. |
| Corporations Act | means the <i>Corporations Act 2001</i> (Cth) as amended or modified from time to time. |
| Director | means a director of the Company. |
| Director Options | means up to 5,000,000 Options to be issued to the Directors (or their respective nominees), the subject of Resolution 4(a) to (d) (inclusive). |
| Directors' Report | means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities. |
| EMT | means eMetals Limited (ACN 142 411 390). |
| Equity Security | has the same meaning as in the Listing Rules. |

| | |
|------------------------------------|--|
| ESS | means employee share scheme. |
| ESS Interest | has the meaning given in section 1100M of the Corporations Act. |
| Explanatory Memorandum | means the explanatory memorandum which forms part of the Notice. |
| Financial Report | means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities. |
| Key Management Personnel | has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group. |
| Listing Rules | means the listing rules of ASX. |
| Meeting | has the meaning given in the introductory paragraph of the Notice. |
| Minimum Issue Price | has the meaning given in Section 6.2(c). |
| Nardoo Acquisition | has the meaning given in Section 8.1. |
| Nardoo Agreement | has the meaning given in Section 8.1. |
| Nardoo Consideration Shares | means 7,000,000 Shares issued to EMT (or its nominees), which are the subject of Resolution 5. |
| Nardoo Tenements | has the meaning given in Section 8.1. |
| Notice | means this notice of annual general meeting. |
| Option | means an option to acquire a Share. |
| Plan | means the Minerals 260 Limited Employee Securities Incentive Plan. |
| Proxy Form | means the proxy form attached to the Notice. |
| Remuneration Report | means the remuneration report of the Company contained in the Directors' Report. |
| Resolution | means a resolution referred to in the Notice. |
| Schedule | means a schedule to the Notice. |
| Section | means a Section of this Notice. |
| Securities | means any Equity Securities of the Company (including Shares, Options and/or Performance Rights). |
| Share | means a fully paid ordinary share in the capital of the Company. |
| Shareholder | means the holder of a Share. |

| | |
|---|---|
| Strike | has the meaning given in Section 4.1. |
| Variable A | has the meaning given in Section 6.3(d)(ii). |
| VWAP | means volume-weighted average price. |
| WCN | means White Cliff Minerals Limited (ACN 126 299 125). |
| Yinnetharra Acquisition | has the meaning given in Section 9.1. |
| Yinnetharra Agreement | has the meaning given in Section 9.1. |
| Yinnetharra Consideration Shares | has the meaning given in Section 9.1. |
| Yinnetharra Tenements | has the meaning given in Section 9.1. |

Schedule 2 Summary of material terms of the Plan

The following is a summary of the material terms and conditions of the Plan (**Plan**):

- (a) **(Eligible Participant):** Eligible Participant means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:
- (i) an employee or director of the Company or an individual who provides services to the Company;
 - (ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
 - (iii) a prospective person to whom paragraphs (i) or (ii) apply;
 - (iv) a person prescribed by the relevant regulations for such purposes; or
 - (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).
- (b) **(Maximum allocation)** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:
- (i) the total number of Plan Shares (as defined in paragraph (m) below) that may be issued or acquired upon exercise of the convertible securities offered; plus
 - (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,
- would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company’s Constitution from time to time. Resolution 7 is seeking Shareholder approval to increase this 5% threshold to 15%.
- The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 is 23,255,000 or such number as is otherwise approved by Shareholders from time to time (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.
- The Company will require prior Shareholder approval for the acquisition of equity securities under the Plan to Directors, their associates and any other person whose relationship with the Company or a Director or a Director’s associate is such that, in ASX’s opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.
- (c) **(Purpose):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity

to Eligible Participants to receive an equity interest in the Company in the form of Securities.

- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.
- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (h) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (i) **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number

of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (j) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (k) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
 - (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
 - (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
 - (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding

Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (r) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Schedule 3 Terms and conditions of Director Options

The terms and conditions of the Director Options (**Options**) are as follows:

1. (**Entitlement**): Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. (**Expiry Date**): Each Option will expire at 5:00pm (AWST) on the date that is 3 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. (**Exercise Period**): The Options are exercisable at any time on or prior to the Expiry Date.
4. (**Exercise Price**): Subject to adjustment in accordance with paragraph 14, the Options are exercisable at \$0.70 each (**Exercise Price**).
5. (**Quotation of the Options**): The Company will not apply for quotation of the Options on any securities exchange.
6. (**Transferability**): Unless determined otherwise by the Board, the Options are not transferable.
7. (**Notice of Exercise**): The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and, if applicable, payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and, if applicable, the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
8. (**Timing of issue of Shares on exercise**): Within 5 Business Days after the Exercise Date the Company will:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which, if applicable, cleared funds have been received by the Company; and
 - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.
9. (**Restrictions on transfer of Shares**): If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
10. (**Timing of application for quotation**) If admitted to the official list of ASX at the time, the Company must apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options within 10 Business Days of the end of the quarter in which the exercise occurred, or within such other time period required by the Listing Rules.
11. (**Shares issued on exercise**): Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
12. (**Cashless exercise of Options**): The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of

Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

13. **(Takeovers prohibition):**
 - (a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
14. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
16. **(Entitlement to dividends):** The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
17. **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
18. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
19. **(Change in exercise price):** There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
20. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
21. **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.

22. **(Constitution):** Upon the issue of Shares on exercise of the Options, the holder agrees to be bound by the Company's constitution.



Schedule 4 Valuation of Director Options

The Director Options have been valued by the Company according to a Black-Scholes valuation model on the following assumptions:

| Director | Anthony Cipriano | David Richards | Timothy Goyder | Emma Scotney |
|-------------------------------------|------------------|------------------|------------------|------------------|
| Number of Director Options | 1,500,000 | 1,500,000 | 1,000,000 | 1,000,000 |
| Grant Date | 28 Sep 2023 | 28 Sep 2023 | 28 Sep 2023 | 28 Sep 2023 |
| Share Price at Grant Date | \$0.46 | \$0.46 | \$0.46 | \$0.46 |
| Exercise Price | \$0.70 | \$0.70 | \$0.70 | \$0.70 |
| Expiry Date | 23 November 2026 | 23 November 2026 | 23 November 2026 | 23 November 2026 |
| Volatility | 100% | 100% | 100% | 100% |
| Risk Free Interest Rate | 3.83% | 3.83% | 3.83% | 3.83% |
| Annualised Dividend Yield | Nil | Nil | Nil | Nil |
| Value of each Director Option | \$0.244 | \$0.244 | \$0.244 | \$0.244 |
| Total Fair Value of Options Granted | \$366,000 | \$366,000 | \$244,000 | \$244,000 |

Notes:

1. The Director Options will vest immediately on 24 November 2023 should Shareholder approval be received.
2. The Australian Government 3-year bond rate as at the grant date was used.
3. A nil dividend yield was assumed on the basis that the Company is unlikely to pay a dividend during the life of the Director Options.
4. Should the Director Options be approved by Shareholders, under the accounting standard AASB 2 Share Based Payments, the Company will recognise a non-cash expense in the income statement based on the fair value of the Director Options granted, expensed proportionately over the vesting period. As the vesting period is immediate, the total fair value of the options granted will be recognised on the date of Shareholder approval.
5. The Exercise Price (\$0.70) is equal to 145% of the 5-day VWAP of Shares up to and including the Grant Date.

Your proxy voting instruction must be received by **09.00am (AWST) on Wednesday, 22 November 2023**, 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, all Shareholders should sign.

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



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Minerals 260

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