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**PATRIOT LITHIUM LIMITED**  
**ACN 647 470 415**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10:00am (WST)  
**DATE:** Tuesday, 28 November 2023  
**PLACE:** Suite 6  
245 Churchill Avenue  
SUBIACO WA 6008

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***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 at 5:00pm (WST) on Sunday 26 November 2023.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2023.”*

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

A voting prohibition statement applies to this Resolution. Please see below.

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#### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR HUGH WARNER

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

*“That, for the purpose of clause 14.3 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Hugh Warner, Non-Executive Chairman who was appointed casually on 3 October 2023, retires, and being eligible, is elected as a Director.”*

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PHILIP THICK

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

*“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Philip Thick, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal 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 otherwise on the terms and conditions set out in the Explanatory Statement.”*

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**6. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY - HUGH WARNER**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 11,000,000 Options to Hugh Warner (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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**7. RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY - NICHOLAS VICKERY**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Nicholas Vickery (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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**8. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS - CHRIS HILBRANDS**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 7,000,000 Options to Chris Hilbrands on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**9. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS – CPS CAPITAL**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to CPS Capital on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

**Voting Prohibition Statements**

<p><b>Resolution 1 – Adoption of Remuneration Report</b></p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> </ul> </li> </ul> <p>expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</p>
<p><b>Resolution 5 – Issue of Options to Related Party - Hugh Warner</b></p>	<p>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 (<b>Resolution 5 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 5 Excluded Party.</p> <p>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:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 6 – Issue of Options to Related Party - Nicholas Vickery</b></p>	<p>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 (<b>Resolution 6 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 6 Excluded Party.</p> <p>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:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> </ul> </li> </ul>

	<p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
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### Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

<b>Resolution 5 – Issue of Options to Related Party - Hugh Warner</b>	Hugh Warner (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 6 – Issue of Options to Related Party - Nicholas Vickery</b>	Nicholas Vickery (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7 – Approval to issue Options - Chris Hilbrands</b>	A person who is 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 holder of ordinary securities in the Company) (namely Chris Hilbrands) or an associate of that person (or those persons).
<b>Resolution 8 – Approval to issue Options</b>	A person who is 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 holder of ordinary securities in the Company) (namely CPS Capital) or an associate of that person (or those persons).

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

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

### **Voting by proxy**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is 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. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

### **Voting in person**

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

***Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 9322 7600.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.patriot-lithium.com](http://www.patriot-lithium.com).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## **2.3 Previous voting results**

The Company listed on ASX on 7 December 2022 and held its first annual general meeting on 13 December 2022 to comply with its obligations under section 250N(1) of the Corporations Act.

A listed company is required, at its annual general meeting, to include a remuneration report and for that remuneration report to be put to the vote.

At the Company's annual general meeting on 13 December 2022, the Company did not include a remuneration report because the Company reported only on the Company's financial statements and reports relevant to the financial year ended 30 June 2022, this date being before the Company listed.

The Company has now prepared financial reports and directors' reports (including the remuneration report) for the purpose of the financial year ended 30 June 2023.

This year will be the first time the remuneration report of the Company will be considered. Accordingly, a Spill Resolution will not be relevant for this Meeting.

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## **3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR HUGH WARNER**

### **3.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Hugh Warner, having been appointed by other Directors as Non-Executive Charman on 3 October 2023 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **3.2 Qualifications and other material directorships**

Mr Warner is a corporate professional with over 30 years of public company experience across the ASX, LSE, AIM and NASDAQ, including as chairman of Prospect Resources Limited (Prospect). Under his leadership, Prospect acquired, explored and developed the Arcadia lithium project in Zimbabwe into one of the largest lithium deposits in Africa, with proven and probable ore reserves estimated at 42.3Mt at 1.19% Li<sub>2</sub>O. Subsequent to his involvement, the Arcadia deposit was sold and has evolved to become the largest operating lithium mine in Africa.

### **3.3 Independence**

If elected the Board considers Mr Hugh Warner will not be an independent Director.

### **3.4 Technical information required by Listing Rule 14.1A**

If Resolution 2 is passed, Mr Warner will be elected to the Board as a Director.

In the event that Resolution 2 is not passed, Mr Warner will not join the Board as a Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

### **3.5 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Warner.

Mr Warner has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Chairman of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Chairman of the Company.

### **3.6 Board recommendation**

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

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## **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PHILIP THICK**

### **4.1 General**

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Philip Thick, who has served as a Director since 31 March 2021 and was last re-elected on 3 December 2022, retires by rotation and seeks re-election.

### **4.2 Qualifications and other material directorships**

Mr Thick is a mining executive with more than 30 years' experience as a senior executive and director in oil and gas, mining and chemical processing. During the past 5 years, Mr Thick headed up Tianqi Lithium Australia, a subsidiary of Tianqi Lithium Corp, one of the world's largest lithium companies and majority owner of the Greenbushes lithium mine. Mr Thick was charged with building the world's largest lithium hydroxide plant in Kwinana, south of Perth, an investment of nearly A\$1 billion. Mr Thick has held a number of executive and non-executive director positions in the oil and gas, chemical manufacturing and mining industries and currently holds various Chairman and Director roles with a strong focus on arts and culture in Western Australia.

Mr Thick is currently the executive chairman of TiGa Minerals & Metals Limited, the chairman of the Chamber of Arts & Culture WA and the Perth Symphony Orchestra and is a non-executive director of Lithium Australia Ltd (ASX:LIT).

### **4.3 Independence**

If re-elected the Board considers Mr Philip Thick will be an independent Director.

#### **4.4 Technical information required by Listing Rule 14.1A**

If Resolution 3 is passed, Mr Philip Thick will be re-elected to the Board as an independent Director.

In the event that Resolution 3 is not passed, Mr Thick will not join the Board as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

#### **4.5 Board recommendation**

The Board has reviewed Mr Thick's performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Thick and recommends that Shareholders vote in favour of Resolution 3.

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### **5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE**

#### **5.1 General**

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

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

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$15,628,500 (based on the number of Shares on issue and the closing price of Shares on the ASX on 6 October 2023).

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 4 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 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

## 5.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

### (a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

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

### (b) Minimum price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

### (c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate 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

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 6 October 2023.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.090	\$0.180	\$0.27
			50% decrease	Issue Price	50% increase
		Funds Raised			
<b>Current</b>	86,825,002 Shares	8,682,500 Shares	\$781,425	\$1,562,850	\$2,344,275
<b>50% increase</b>	130,237,503 Shares	13,023,750 Shares	\$1,172,137	\$2,344,275	\$3,516,412
<b>100% increase</b>	173,650,004 Shares	17,365,000 Shares	\$1,562,850	\$3,125,700	\$4,688,550

**Notes:**

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

**The table above uses the following assumptions:**

1. There are currently 86,825,002 Shares on issue comprising:
2. The issue price set out above is the closing market price of the Shares on the ASX on 26 October 2023 (being \$0.180).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. 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.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

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

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

The Company did not obtain approval under Listing Rule 7.1A at its annual general meeting held on 13 December 2022. Accordingly, the Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the twelve months preceding the date of the Meeting.

### 5.3 Voting Exclusion Statement

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

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## 6. RESOLUTIONS 5 & 6 – ISSUE OF OPTIONS TO RELATED PARTIES

### 6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 16,000,000 Options to Hugh Warner and Nicholas Vickery (or their nominee(s)) (**Related Parties**) on the terms and conditions set out below.

Recipient	Class	Total
Hugh Warner (Resolution 5)	Class A Options	5,000,000
	Class B Options	6,000,000
<b>Total</b>		<b>11,000,000</b>
Nick Vickery (Resolution 6)	Class A Options	5,000,000
<b>Total</b>		<b>5,000,000</b>

Resolutions 5 and 6 seek Shareholder approval for the issue of the Options to the Related Parties.

## 6.2 Director Recommendation

- (a) Mr Philip Thick recommends that Shareholders vote in favour of Resolutions 5 and 6 for the reasons set out in Sections 6.6(f) and 6.6(g). In forming their recommendation, Mr Philip Thick considered the experience of the Related Parties, the current market price of Shares, the current market standards and practices when determining the number of Options to be issued to each of the Related Parties, as well as the exercise price and expiry date of those Options; and
- (b) each Director (other than Mr Philip Thick) has a material personal interest in the outcome of Resolutions 5 and 6 on the basis that the Directors (other than Mr Philip Thick) (or their nominees) are to be issued Options on the same terms and conditions should Resolutions 5 and 6 be passed. For this reason, the Directors (other than Mr Philip Thick) do not believe that it is appropriate to make a recommendation on Resolutions 5 and 6 of this Notice.

## 6.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 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 issue of Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Options are proposed to be issued to all of the Directors other than Mr Philip Thick, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Options. Accordingly, Shareholder approval for the issue of Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

## **6.4 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 and 6 seek the required Shareholder approval for the issue of the Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

## **6.5 Technical information required by Listing Rule 14.1A**

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Options.

Resolution 5 and 6 are independent Resolutions.

## **6.6 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act**

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Options will be issued to the following persons:
  - (i) Hugh Warner (or their nominee) pursuant to Resolution 5; and

- (ii) Nicholas Vicker (or their nominee) pursuant to Resolution 6,  
each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 16,000,000 comprising:
  - (i) 11,000,000 Options to Hugh Warner (or their nominee) pursuant to Resolution 5; and
  - (ii) 5,000,000 Options to Nicholas Vickery (or their nominee) pursuant to Resolution 6,
- (c) the terms and conditions of the Options are set out in Schedule 1;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (g) the Options are unquoted Options. The Company has agreed to issue the Options to the Related Parties for the following reasons:
  - (i) the Options are unquoted; therefore, the issue of the Options has no immediate dilutionary impact on Shareholders;
  - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Options is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options on the terms proposed;
- (h) the number of Options to be issued to each of the Related Parties has been determined based upon a consideration of:

- (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- (ii) the remuneration of the Related Parties; and
- (iii) incentives to attract and ensure continuity of service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed;

- (i) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year Ended 30 June 2024	Previous Financial Year Ended 30 June 2023
Hugh Warner	741,900 <sup>1</sup>	N/A <sup>3</sup>
Nicholas Vickery	834,690 <sup>2</sup>	\$272,045 <sup>4</sup>

**Notes:**

1. Comprising a salary of \$120,000, a superannuation payment of \$13,200 and share-based payments of \$608,700 (including an increase of \$608,700, being the value of the Options).
2. Comprising a salary of \$275,000, a superannuation payment of \$27,500 and share-based payments of \$532,190 (including an increase of \$396,600, being the value of the Options).
3. Mr Warner was appointed as a Director of the Company on 3 October 2023.
4. Comprising a salary of \$60,729, a superannuation payment of \$6,377 and share-based payments of \$204,939.

- (j) the value of the Options and the pricing methodology is set out in Schedule 3;
- (k) the Options are not being issued under an agreement;
- (l) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

**As at the date of this Notice**

Related Party	Shares <sup>1</sup>	Options	Performance Rights	Undiluted	Fully Diluted
Hugh Warner	2,050,000	Nil	Nil	2.36%	2.36%
Nicholas Vickery	100,000	800,000	3,000,000	0.12%	4.30%

## Post issue of the Options to Related Parties

Related Party	Shares <sup>1</sup>	Options	Performance Rights	Undiluted	Fully Diluted
Hugh Warner	2,050,000	11,000,000	Nil	2.36%	13.34%
Nicholas Vickery	100,000	5,800,000	3,000,000	0.12%	9.31%

### Notes:

<sup>1</sup> Fully paid ordinary shares in the capital of the Company (ASX: PAT).

- (m) if the Options issued to the Related Parties are exercised, a total of 16,000,000 Shares would be issued. This will increase the number of Shares on issue from 86,825,002 (being the total number of Shares on issue as at the date of this Notice) to 102,825,002 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 18.43%, comprising 12.67% by Hugh Warner and 5.76% by Nicholas Vickery;

The market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company;

- (n) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.47	2, 6, 10 and 13 February 2023
Lowest	\$0.16	13 and 14 September 2023
Last	\$0.17	19 October 2023

- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 5 and 6; and
- (p) a voting exclusion statement is included in Resolutions 5 and 6 of the Notice.

## 7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS – CHRIS HILBRANDS

### 7.1 General

The Company is proposing to issue an aggregate of 7,000,000 Options (3,000,000 Class A Options and 4,000,000 Class B Options) to Company Secretary, Chris Hilbrands on the terms and conditions set out below.

Resolution 7 seek Shareholder approval for the issue of the Options.

As summarised in Section 5.1 above, 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 proposed issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

## **7.2 Technical information required by Listing Rule 14.1A**

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the issue of the Options can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

## **7.3 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the Options will be issued to Chris Hilbrands;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Options to be issued is 7,000,000. The terms and conditions of the Options are set out in Schedule 1;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for Chris Hilbrands to align the interests of Chris Hilbrands with those of Shareholders, to motivate and reward the performance of Chris Hilbrands in his role as Company Secretary and to provide a cost effective way from the Company to remunerate Chris Hilbrands, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it

would if alternative cash forms of remuneration were given to Chris Hilbrands;

- (g) the Options are not being issued under an agreement; and
- (h) the Options are not being issued under, or to fund, a reverse takeover.

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## **8. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS – CPS CAPITAL**

### **8.1 General**

The Company is proposing to issue 5,000,000 Class C Options in consideration for Corporate Advisory services provided by CPS Capital Group Pty Ltd (AFSL: 294848) (**CPS Capital**) to the Company.

The issue of the Options has been agreed between management of the Company and CPS Capital, without the need for a formal written agreement.

As summarised in Section 5.1 above, 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 proposed issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

### **8.2 Technical information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the issue of the Options can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Options.

### **8.3 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Options will be issued to CPS Capital;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the

Company, advisers of the Company or an associate of any of these parties; and

- (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Options to be issued is 5,000,000. The terms and conditions of the Options are set out in Schedule 2;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the Options will be issued at an issue price of \$0.001 per Option. The Options are being issued in consideration for corporate advisory services provided by CPS Capital to the Company. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide consideration to CPS Capital for corporate advisory services provided by CPS Capital to the Company;
- (g) the Options are not being issued to CPS under an agreement; and
- (h) the Options are not being issued under, or to fund, a reverse takeover.

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## GLOSSARY

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**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Section 5.1.

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Patriot Lithium Limited (ACN 647 470 415).

**Constitution** means the Company's constitution.

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

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

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**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** means the meeting convened by the Notice.

**Notice** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2023.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS (RESOLUTIONS 5 – 7)

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### 1. **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

### 2. **Exercise Price**

Subject to paragraph 9 the amount payable upon exercise of each Option will be

- (a) Class A Options: The higher of \$0.40 or 145% of the volume weighted average price of the Company's shares over the 5 trading day period up to (but excluding) the date of Shareholder approval (rounded up to the nearest half of one cent); and
- (b) Class B Options: The higher of \$0.50 or 125% of the volume weighted average price of the Company's shares over the 5 trading day period up to (but excluding) the date of shareholder approval (rounded up to the nearest half of one cent)

(each, the **Exercise Price**).

### 3. **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the day prior to:

- (a) Class A Options: third (3<sup>rd</sup>) year and
- (b) Class B Options: eighteen (18) month anniversary,

of its date of issue (each an **Options Expiry Date**). An Option not exercised before the Options Expiry Date will automatically lapse on the Options Expiry Date.

### 4. **Exercise Period**

The Options are exercisable at any time on or prior to the Options Expiry Date.

### 5. **Notice of Exercise**

The Options may be exercised during the Options Exercise Period by notice in writing to the Company in the manner specified on the Option certificate and payment of the Options Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company (**Notice of Exercise**).

### 6. **Exercise Date**

An Options Notice of Exercise is only effective on and from the later of the date of receipt of the Options Notice of Exercise and the date of receipt of the payment of the Options Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### 7. **Timing of issue of Shares on exercise**

Within 5 Business Days after the latter of the following:

- (a) Exercise Date; and
- (b) When excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

But in any case, not later than 20 Business Days after the Exercise Date, the Company will:

- (c) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Options Notice of Exercise and for which cleared funds have been received by the Company;
- (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors;

If a notice delivered under 7(d) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

#### 8. **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

#### 9. **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

#### 10. **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.

#### 11. **Change in exercise price**

An Option does not confer the right to a change in Options Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

#### 12. **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

13. **Cashless Exercise**

At the time of exercise of the Option, subject to Board approval at that time, the Optionholder 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 Optionholder 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).

14. **Continued Employment**

If a Optionholder's employment or engagement with the Company or a Related Body Corporate is terminated or they resign within 12 months of being issued the Options, any Option not exercised by the Optionholder before the date of the termination/resignation will automatically lapse, unless the Board in its sole and absolute discretion determines otherwise.

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## SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS – RESOLUTION 8

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The Options entitle the holder of the Options (**Participant**) to subscribe for Shares in the Company on the following terms and conditions:

1. Each Option gives the Participant the right to subscribe for one (1) Share upon:
  - (a) exercise of the Option in accordance with these terms; and
  - (b) payment of the Exercise Price
2. The Options will expire at 5.00pm (AWST) on the third (3<sup>rd</sup>) year anniversary of its date of issue (**Expiry Date**).
3. Participants may exercise Options at any time prior to the Expiry Date.
4. Any Option not exercised before the Expiry Date will automatically lapse at 5.00pm (AWST) on the Expiry Date.
5. Each Option is exercisable at A\$0.40 per share (**Exercise Price**). Each Option is issued at A\$0.001 (**Issue Price**).
6. A Participant may exercise all or some of the Options held by that Participant. If a Participant exercises only part of the Options held by that Participant, multiples of 100,000 Options must be exercised on each occasion.
7. If a Participant exercises fewer than all of the Options held by that Participant, the Company will cancel the Participant's holding statement and issue or cause to be issued a new holding statement for the balance of the Options held by that Participant.
8. The exercise of only some Options will not affect the rights of that Participant in respect of the balance of the Options held by that Participant.
9. Options may only be exercised by a Participant lodging with the Company:
  - (a) a signed written notice of exercise of Options (in the form attached to this Schedule) specifying the number of Options being exercised;
  - (b) the holding statement for the Options; and
  - (c) electronic funds transfer notice for the Exercise Price for the number of Options being exercised

**(Exercise Notice)**.
10. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
11. Within 10 Business Days of receipt of the Exercise Notice and the full amount of the Exercise Price in cleared funds, the Company will allot the number of Shares to the

Participant required under these Rules in respect of the number of Options specified in the Exercise Notice.

12. Subject to the Corporations Act and the ASX Listing Rules (if applicable), the Options are freely transferable.
13. All Shares allotted upon the exercise of the Options will, upon issuance, rank *pari passu* in all respects with other Shares.
14. The Company will not apply for quotation of the Options on ASX (if applicable).
15. The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX (if applicable) within 10 Business Days after the date of allotment of those Shares.
16. If at any time the issued capital of the Company is reconstructed, all rights of the Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules (if applicable) at the time of the reconstruction.
17. There are no participating rights or entitlements inherent in the Options and the Participant will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Participant the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
18. In the event the Company proceeds with a pro rata issue (other than a bonus issue) of securities to shareholders after the date of issue of the Options, the Exercise Price may be reduced in the manner permitted by the ASX Listing Rules (if applicable) applying at the time of the pro rata issue.
19. In the event the Company proceeds with a bonus issue of securities to shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased in the manner permitted by the ASX Listing Rules (if applicable) applying at the time of the bonus issue.
20. The Company is entitled to treat the registered holder of Options as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

## SCHEDULE 3 – VALUATION OF OPTIONS – RESOLUTIONS 5 - 8

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value as at 19 October 2023:

	Share Price	Exercise Price	Risk-free rate	Time to expiration	Standard deviation	Value per Option
Class A Options	\$0.17	\$0.40	4.235%	3 years	1.0	\$ 0.07932
Class B Options	\$0.17	\$0.50	4.310%	1.5 years	1.0	\$ 0.03535
Class C Options	\$0.17	\$0.40	4.235%	3 years	1.0	\$ 0.07932

Recipient	Class	Total issued	Value
Hugh Warner (Resolution 5)	Class A Options	5,000,000	\$ 396,600
	Class B Options	6,000,000	\$ 212,100
<b>Total</b>		<b>11,000,000</b>	<b>\$ 608,700</b>
Nick Vickery (Resolution 6)	Class A Options	5,000,000	\$ 396,600
<b>Total</b>		<b>5,000,000</b>	<b>\$ 396,600</b>
Chris Hilbrands (Resolution 7)	Class A Options	3,000,000	\$ 237,960
	Class B Options	4,000,000	\$ 141,400
<b>Total</b>		<b>7,000,000</b>	<b>\$ 379,360</b>
CPS Capital (Resolution 8)	Class C Options	5,000,000	\$ 396,600

Your proxy voting instruction must be received by **10.00am (AWST) on Sunday, 26 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.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

##### WEBSITE:

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

##### PHONE:

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

