



FIRETAIL RESOURCES LIMITED
(ACN 651 057 822)

Notice of General Meeting

General Meeting to be held at
Level 8, London House, 216 St Georges Terrace, Perth WA 6000
on 21 August 2023, commencing at 2.00pm (AWST).

Important

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

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NOTICE OF MEETING

Notice is hereby given that the General Meeting of the Shareholders of Firetail Resources Limited (ACN 651 057 822) ("**Company**") will be held at Level 8, London House, 216 St Georges Terrace, Perth WA 6000 on 21 August 2023, commencing at 2.00pm (AWST).

COVID-19 INFORMATION

It is currently anticipated that the Meeting will be held in person (and not by virtual means). The Company has taken steps to ensure that all attendees will be able to participate in the Meeting while maintaining their health and safety.

Shareholders do not need to attend the Meeting in order to cast their vote(s). The Company therefore recommends that Shareholders who do not wish to attend the Meeting in person, but who wish to vote, appoint the Chair as their proxy (and where desired, direct the Chair how to vote on a Resolution) rather than attending in person. If the Meeting cannot be held in person, the Company will make additional arrangements as required.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

Business

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares

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 7.4, and for all other purposes, approval is given for the Company to ratify the issue of 11,550,000 Shares under Listing Rule 7.1 at an issue price of \$0.09 per Share to raise up to \$1,039,500 under a Placement to Placement Participants (and/or their nominee(s)), on the terms and conditions set out in this Explanatory Statement."

Voting Exclusion Statement

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

- a Person who participated in the issue or is a counterparty to the agreement being approved; or
- an Associate of that Person or those Persons.

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

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

Resolution 2 – Ratification of prior issue of Tranche 1 Placement Shares

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 7.4, and for all other purposes, approval is given for the Company to ratify the issue of 7,700,000 Shares under Listing Rule 7.1A at an issue price of \$0.09 per Share to raise up to \$693,000 under a Placement to Placement Participants (and/or their nominee(s)), on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who participated in the issue or is a counterparty to the agreement being approved; or
- an Associate of that Person or those Persons.

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

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

Resolution 3 – Issue of Tranche 2 Placement Shares

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 36,305,556 Shares at an issue price of \$0.09 per Share to raise up to \$3,267,500 under a Placement to Placement Participants (and/or their nominee(s)), on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who participated in the issue or 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 4 – Issue of Consideration Shares to Seller

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

“That, subject to all Transaction Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 15,000,000 Consideration Shares to the Seller (and/or its nominee(s)), at a deemed issued price of \$0.10 per Share, as consideration for the Company acquiring an initial 60% shareholding interest in Kiwanda, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who is expected to participate in, or 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 5 – Issue of Performance Rights to Seller

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

“That, subject to all Transaction Resolutions being passed, for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue 20,000,000 Performance Rights to the Seller (and/or its nominee(s)), on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who is expected to participate in, or 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 entity); or
- an Associate of that Person or those Persons.

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

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

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 – Issue of Corporate Advisor Shares to Corporate Advisor

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

“That, subject to all Transaction Resolutions being passed, for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue 1,350,000 Shares at a deemed issue price of \$0.09 per Share to the Corporate Advisor (and/or its nominee(s)), in connection with corporate advisory services provided to the Company in association with the Placement and Proposed Acquisition generally, on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who may participate in the issue or 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 7 – Issue of Performance Rights to Corporate Advisor

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

“That, subject to all Transaction Resolutions being passed, for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue 1,200,000 Performance Rights to the Corporate Advisor (and/or its nominee(s)), in connection with corporate advisory services provided to the Company in association with the Placement and Proposed Acquisition generally, on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who may participate in the issue or 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 entity); or
- an Associate of that Person or those Persons.

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

- a Person as proxy or attorney for a Person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

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

Resolution 8 – Appointment of Proposed Director

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

“That, subject to all Transaction Resolutions being passed, and for all other purposes, George Bauk having provided conditional consent to act as Director, be appointed as Director pursuant to clause 12 of the Constitution with effect from completion of the Proposed Acquisition.”

Resolution 9 – Issue of Performance Rights to Director

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 10.11, Section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 3,000,000 Performance Rights to Mr Brett Grosvenor (and/or his nominee(s) on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 10 – Issue of Performance Rights to Director

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 10.11, Section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 1,000,000 Performance Rights to

Mr Simon Lawson (and/or his nominee(s)) on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 11 – Issue of Performance Rights to Director

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 10.11, Section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 1,000,000 Performance Rights to Mr Cai Kecheng (and/or his nominee(s)) on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 12 – Issue of Performance Rights to Director

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 10.11, Section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue, subject to the approval of Resolution 8, 2,000,000 Performance Rights to Mr George Bauk (and/or his nominee(s)) on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 13 – Issue of Performance Rights to Company Secretary

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 750,000 Performance Rights to Craig McNab (and/or his nominee(s)), on the terms and conditions set out in this Explanatory Statement.”

Voting Exclusion Statement

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

- a Person who may participate in the issue or 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 entity); or
- an Associate of that Person or those Persons.

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

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

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 14 – Approval for Director to participate in the Placement

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 10.11, and for all other purposes, approval is given for the Company to issue up to 1,555,556 Shares to Mr Brett Grosvenor (and/or his nominee(s)) at an issue price of \$0.09 per Share, pursuant to the Placement and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Resolution 15 – Approval for Director to participate in the Placement

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 10.11, and for all other purposes, approval is given for the Company to issue up to 433,333 Shares to Mr George Bauk (and/or his nominee(s)) at an issue price of \$0.09 per Share, pursuant to the Placement and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

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

- the Person who is to receive the securities in question 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 entity); or
- an Associate of that Person or those Persons.

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

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

Other business

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the General Meeting.

By order of the Board

Craig McNab

Company Secretary

Firetail Resources Limited

21 July 2023

EXPLANATORY STATEMENT

Important information

This Explanatory Statement has been prepared for the information of the Shareholders of Firetail Resources Limited (ACN 651 057 822) (“**Company**”) in connection with the Resolutions to be considered at the General Meeting to be held at Level 8, London House, 216 St Georges Terrace, Perth WA 6000 on 21 August 2023, commencing at 2.00pm (AWST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

Important: Each of the Transaction Resolutions are subject to, and conditional on, each of the other Transaction Resolutions being passed. Accordingly, the Transaction Resolutions should be considered collectively as well as individually.

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

Interpretation

Capitalised terms which are not otherwise defined in this Notice of Meeting and Explanatory Statement have the meanings given to those terms under the Definitions in section 3.

References to “\$” and “A\$” in this Notice of Meeting and Explanatory Statement are references to Australian currency unless otherwise stated.

References to time in this Notice of Meeting and Explanatory Statement relate to the time in Perth, Western Australia.

Voting Exclusion Statements

Certain voting restrictions apply to the Resolutions as detailed beneath the applicable Resolutions in the Notice of Meeting.

Proxies

Please note that:

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- a proxy need not be a Shareholder;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder’s proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder’s proxy; and
- Shareholders 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 enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative.

The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post, to Registry Direct at PO Box 572 Sandringham VIC 3191;
- on facsimile number +61 3 9111 5652; or
- email to Registry Direct at registry@registrydirect.com.au,

so that it is received by no later than 2.00 pm (AWST) on 19 August 2023. Proxy Forms received later than this time will be invalid.

Voting entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 2.00pm (AWST) on 19 August 2023. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the General Meeting.

1. PROPOSED ACQUISITION

1.1 Background

As announced on 5 July 2023, the Company has entered into a binding terms sheet ("**Terms Sheet**") with Valor Resources Limited (ASX:VAL) ("**Valor**" or "**Seller**") to acquire up to 80% of the issued share capital of Kiwanda S.A.C. ("**Kiwanda**") in consideration for the Purchase Price (as defined below) ("**Proposed Acquisition**").

Kiwanda is a wholly owned subsidiary of Valor that holds the mining concessions ("**Tenements**") comprising the Picha and Charaque Copper Projects in Peru ("**Picha**" and "**Charaque**", together, the "**Projects**").

1.2 Terms Sheet

The consideration payable by the Company under the Proposed Acquisition is:

- \$200,000 in cash payable within 5 business days of execution of the Terms Sheet, which is refundable to the Company in circumstances where Valor cannot complete its obligations under the Terms Sheet ("**Exclusivity Fee**");
- \$550,000 cash payable upon completion ("**Cash Consideration**");
- subject to shareholder approval, 15,000,000 fully paid ordinary shares in the Company ("**Shares**") at a deemed issue price of \$0.10 per Share to be issued upon completion to acquire an initial 60% shareholding interest in Kiwanda ("**Consideration Shares**");
- subject to shareholder approval, the Company will issue 20,000,000 Performance Rights to the Seller, or nominee(s) thereof ("**Seller's Performance Rights**"), which will convert into Shares upon the satisfaction of the respective performance milestones ("**Vesting Conditions**"). The terms and conditions of the Seller's Performance Rights are set out in Schedule 2.

In connection with the Proposed Acquisition, the Company will undertake a placement to professional and sophisticated investors ("**Placement Participants**") of a total of up to 55,555,556 Shares at an issue price of \$0.09 per Share to raise an aggregate total of \$5,000,000 (before costs) ("**Placement**"). The issue of Shares under the Placement is to be separated into two distinct tranches, the details of which are provided in this Notice.

Pursuant to the Terms Sheet, the Company proposes to appoint a nominee director of Valor, George Bauk, to the Board of the Company as a Non-Executive Director upon completion the Proposed Acquisition (being Resolution 8, the subject of this Notice), following which, current Non-Executive Director, Frank Bierlein will resign from the Board.

Completion of the Proposed Acquisition is subject to, and conditional upon, the following material conditions being satisfied or waived by the Company:

- the Company completing the Placement;
- if ASX requires it for the purposes of ASX Listing Rule 11.1, Valor obtaining shareholder approval for the sale of 80% of its indirect interest in the Projects;
- the Company completing commercial, legal and technical due diligence investigations in respect of Kiwanda and the Projects within 90 days from the execution of the Terms Sheet and giving notice to the Seller in writing that it is satisfied in its sole discretion with its due diligence investigations;
- each party obtaining all necessary regulatory, shareholder and other third-party consents, approvals or waivers required to enable the Proposed Acquisition to achieve completion,

including written confirmation from the ASX that the Company will not be required to re-comply with the requirements of Chapter 1 and 2 of the Listing Rules in connection with the Proposed Acquisition.

The Terms Sheet is otherwise on terms and conditions considered standard for agreements of this nature, including warranties and indemnities given by the Seller in favour of the Company.

Further details with respect to the Proposed Acquisition and the Terms Sheet generally is set out in the Company's ASX announcement dated 5 July 2023.

1.3 Placement

As announced on 5 July 2023, as part of the Proposed Acquisition, the Company intends to raise an aggregate total of \$5,000,000 (before costs) under the Placement, separated into two tranches as follows:

- 19,250,000 Shares, issued by the Company under its placement capacity on 13 July 2023 ("**Tranche 1 Placement**"); and
- 36,305,556 Shares which are subject to Shareholder approval under Resolution 2 ("**Tranche 2 Placement**").

The Company has engaged Capital Group Pty Ltd (ACN 088 055 636) ("**CPS Capital**") as lead manager for the Placement and CPS Capital (and/or its nominee(s)), pursuant to a corporate advisory mandate ("**Corporate Advisor Mandate**") will receive the following fees in connection with corporate advisory services provided to the Company in association with the Placement and the Proposed Acquisition generally:

- a lead manager fee of six percent (6%), being \$300,000 cash payable upon completion of the Placement ("**Lead Manager Fee**");
- 1,350,000 Shares at a deemed issue price of \$0.09 per Share ("**Corporate Advisor Shares**"); and
- 1,200,000 Performance Rights (subject to the Vesting Conditions) ("**Corporate Advisor Performance Rights**").

Funds raised under the Placement will be used in accordance with the table set out in section 1.5.

1.4 Indicative Timetable

The indicative timetable for the Proposed Acquisition is set out below.

Event	Date
Trading halt	30 June 2023
Announcement of Proposed Acquisition and Placement	5 July 2023
Issue of Tranche 1 Placement Shares	13 July 2023
Notice of Meeting sent to Shareholders	21 July 2023
General Meeting held	21 August 2023
Completion of Proposed Acquisition Issue of Consideration Shares, Performance Rights and Tranche 2 Placement Shares	31 August 2023

Note: the dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws.

1.5 Proposed Use of Funds

The Company intends to use the funds raised from the Placement as set out in the table below.

Item	Amount
Proposed expenditure on work programs for the Projects	\$3,850,000
ASX fees, Shareholder meeting costs and other costs associated with the Proposed Acquisition and Placement	\$400,000
Exclusivity Fee and Cash Consideration component of Proposed Acquisition	\$750,000
Total	\$5,000,000

1.6 Pro Forma Capital Structure

The pro forma capital structure of the Company, assuming the Transaction Resolutions are passed and the Proposed Acquisition completes, is set out in the table below.

Capital Structure	Existing No. of securities	No. of securities upon completion of Proposed Acquisition, Placement and issue of Performance Rights
Shares		
Existing Shares	77,000,000	77,000,000
Placement Shares	-	55,555,556
Corporate Advisor Shares	-	1,350,000
Consideration Shares	-	15,000,000
Total Shares	77,000,000	148,905,556
Performance Rights		
Performance Rights to Valor		20,000,000
Performance Rights to CPS Capital		1,200,000
Performance Rights to Directors		7,000,000
Performance Rights to Company Secretary		750,000
Total Performance Rights		28,950,000
Options		
Options expiring 20/01/25 (FTLAC)	500,000	500,000
Options expiring 20/01/25 (FTLAD)	5,000,000	5,000,000
Options expiring 05/04/25 (FTLAE)	1,500,000	1,500,000
Total Options	7,000,000	7,000,000
Fully diluted share capital	84,000,000	184,855,556

Notes:

1. The table above provides a summary of the capital structure of the Company as at the date of this Notice and upon completion of the Proposed Acquisition, Placement and issue of Performance Rights.
2. The Proposed Acquisition results in a 43.1% increase in the fully diluted share capital of the Company or a 110.8% increase in the fully diluted share capital of the Company if the Placement is included.
3. The Performance Rights are subject to vesting conditions, as set out in Schedules 3 and 4.
4. The Performance Rights are new classes of securities and the codes are to be confirmed in due course. The Performance Rights will expire on the date that is the earlier of either 18 months from the granting of drilling permits at the Picha Project, or 24 months from completion of the Proposed Acquisition.

1.7 Pro Forma Statement of Financial Position

The unaudited pro forma statement of financial position of the Company (based on the 31 December 2022 audited accounts of the Company), assuming the Transaction Resolutions are passed and implemented, is set out in Schedule 1.

2. REGULATORY INFORMATION

2.1 Resolutions 1 & 2 – Ratification of prior issue of Tranche 1 Placement Shares

Resolutions 1 and 2 are ordinary resolutions which seek Shareholder approval under Listing Rule 7.4 to ratify the prior issue of 19,250,000 Tranche 1 Placement Shares to Placement Participants, or nominee(s) thereof, in connection with the Proposed Acquisition pursuant to the Terms Sheet.

As set out at section 1.3 above, the Tranche 1 Placement Shares were issued on 13 July 2023.

11,550,000 Shares were issued in accordance with Listing Rule 7.1 and 7,700,000 Shares were issued in accordance with Listing Rule 7.1A. The Company did not breach Listing Rule 7.1 by issuing the Tranche 1 Placement Shares to the Placement Participants.

Listing Rule 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous twelve (12) months (without approval and which were not subject to an exception), exceed fifteen percent (15%) of the number of shares on issue at the commencement of that twelve (12) month period.

Under Listing Rule 7.1A an eligible entity can seek shareholder approval by way of a special resolution at its annual general meeting to allow the further issue of securities comprising up to 10% of its issued capital (i.e., a total placement capacity of 25% pursuant to both Listing Rule 7.1 and 7.1A). The company obtained this approval at its annual general meeting held on 23 November 2022.

The issue of the Tranche 1 Placement Shares does not fall within any of the exceptions to Listing Rule 7.1 and 7.1A and, as it has not yet been approved by Shareholders, it effectively uses up the entirety of the Company's twenty five percent (25%) limit under Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further Shares without Shareholder approval under Listing Rule 7.1 or 7.1A for the twelve (12) month period following the date of issue of the Placement Shares.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in a general meeting ratify a previous issue of securities made without approval under Listing Rules 7.1 and 7.1A, provided that the previous issue of securities did not breach Listing Rules 7.1 and 7.1A, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1 and 7.1A.

By ratifying the Tranche 1 Placement Shares, the Company will retain the flexibility to issue shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 and the additional ten percent (10%) placement capacity set out in ASX Listing Rule 7.1A (i.e., a total of 25%) without the requirement to obtain prior Shareholder approval.

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolution 1 for the purposes of Listing Rule 7.4:

(a) **Name of the persons to whom the entity will issue the securities or the basis on which those persons were determined**

The Tranche 1 Placement Shares were issued to Placement Participants, or nominee(s) thereof, who are clients of the Corporate Advisor. None of the participants in the Placement are related parties of the Company or persons to whom Listing Rule 10.11 applied. The recipients were identified through a bookbuild process undertaken by the Corporate Advisor, where expressions of interest to participate in the Placement from non-related parties of the Company were sought.

(b) **Number and class of securities issued**

19,250,000 Shares were issued on the following basis:

(i) 11,550,000 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and

(ii) 7,700,000 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2)

(c) **Terms of the securities**

The Tranche 1 Placement Shares issued rank equally in all respects with existing Shares on issue.

(d) **The date the securities were issued**

The Tranche 1 Placement Shares were issued on or about 13 July 2023.

(e) **Price at which the securities were issued**

The Tranche 1 Placement Shares were issued at \$0.09 per Share.

(f) **Purpose and intended use of the funds raised**

The purpose of the issue of the Tranche 1 Placement Shares was to provide the Company with sufficient funds to commence expenditure on the Projects. The allocation of funds pursuant to the Placement are set out in paragraph 1.5 above.

(g) **If the securities were issued under an agreement, a summary of the material terms of the agreement**

The Tranche 1 Placement Shares were issued pursuant to the terms of the Placement Offer Letter.

(h) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.4 above) and what will happen if security holders give, or do not give, that approval.

If Resolutions 1 and 2 are approved by Shareholders, then the Tranche 1 Placement Shares will be excluded in calculating the Company's combined twenty five percent (25%) limit under Listing Rules 7.1 and 7.1A and the Company will retain the flexibility to issue Shares in the future up to the twenty five percent (25%) placement capacity set out in ASX Listing Rules 7.1 and 7.1A without the requirement to obtain prior Shareholder approval.

If Resolutions 1 and 2 are not approved by Shareholders, the Tranche 1 Placement Shares will be included in calculating the Company's combined twenty five percent (25%) limit under Listing Rules 7.1 and 7.1A, effectively decreasing the number of Shares that the Company can issue without Shareholder approval over the twelve (12) month period following the date of issue of the Tranche 1 Placement Shares.

Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 1 and 2.

2.2 Resolution 3 – Issue of Tranche 2 Placement Shares

Resolution 3 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of 36,305,556 Tranche 2 Placement Shares

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

The effect of Resolution 3 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 3 seeks approval for the issue of the Tranche 2 Placement Shares for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 3 is approved, the Tranche 2 Placement Shares issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 3:

(a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**

The Tranche 2 Placement Shares are to be issued to Placement Participants, or nominee(s) thereof, who are clients of the Corporate Advisor. The Placement Participants have been identified through a bookbuild process undertaken by the Corporate Advisor, where expressions of interest to participate in the Placement from non-related parties of the Company were sought.

Brett Grosvenor and George Bauk, being Directors or proposed Directors of the Company will, subject to the approval of Resolutions 14 and 15, participate in the Placement.

(b) **Maximum number and class of securities the entity is to issue**

36,305,556 Shares.

(c) **Terms of the securities**

The Tranche 2 Placement Shares will rank equally in all respects with existing Shares on issue.

(d) **Date by which the entity will issue the securities**

The Tranche 2 Placement Shares will be issued to Placement Participants, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Tranche 2 Placement Shares will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).

(e) **Issue price of the securities**

The Tranche 2 Placement Shares are to be issued at \$0.09 per Share.

(f) **Purpose of the issue and intended use of the funds raised**

The purpose of the issue of the Tranche 2 Placement Shares will be to provide the Company with sufficient funds to commence expenditure on the Projects. The allocation of funds pursuant to the Placement are set out in paragraph 1.5 above.

(g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Tranche 2 Placement Shares are proposed to be issued pursuant to the terms of the Placement Offer Letter.

(h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.

(i) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 3 is approved by Shareholders, then the Tranche 2 Placement Shares will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue Shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 3 is not approved by Shareholders, the Tranche 2 Placement Shares will be included in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1, effectively decreasing the number of Shares that the Company can issue without Shareholder approval over the twelve (12) month period following the date of issue of the Placement Shares.

Directors' recommendations

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

2.3 Resolution 4 – Issue of Consideration Shares to the Seller

Resolution 4 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of the Consideration Shares to the Seller, or nominee(s) thereof, in connection with the Proposed Acquisition pursuant to the Terms Sheet. The Consideration Shares will only be issued by the Company if the Proposed Acquisition is to complete.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Consideration Shares does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Consideration Shares.

The effect of Resolution 4 will be to allow the Company to issue the Consideration Shares during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 4 seeks approval for the issue of the Consideration Shares for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 4 is approved, the Consideration Shares issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 4:

(a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**

The Consideration Shares will be issued to the Seller, or nominee(s) thereof, pursuant to the terms of the Proposed Acquisition.

(b) **Maximum number and class of securities the entity is to issue**

15,000,000 Shares.

(c) **Terms of the securities**

The Consideration Shares will rank equally in all respects with existing Shares on issue.

(d) **Date by which the entity will issue the securities**

The Consideration Shares will be issued to the Seller, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Consideration Shares will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).

(e) **Issue price of the securities**

The deemed issue price for the Consideration Shares is \$0.10 per Share.

(f) **Purpose of the issue and intended use of the funds raised**

The Consideration Shares are to be issued to provide the Seller with consideration for the Proposed Acquisition. No funds will be raised from the issue of the Consideration Shares if they are issued, as they are to be issued in connection with the Proposed Acquisition.

(g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Consideration Shares are being issued pursuant to the Terms Sheet. Refer to section 1.2 above for a summary of the material terms and conditions of the Terms Sheet.

(h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Consideration Shares are not being issued under, or to fund, a reverse takeover.

(i) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution seeking approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 4 is approved by Shareholders, then the Consideration Shares will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 4 is not approved by Shareholders, the Company will not be able to proceed with the issue of the Consideration Shares, and the Company will not be able to complete the Proposed Acquisition.

Directors' Recommendation

The Directors unanimously recommend that Shareholders approve Resolution 4.

2.4 Resolution 5 – Issue of Performance Rights to the Seller

Resolution 5 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of the Seller's Performance Rights to the Seller, or nominee(s) thereof, in connection with the Proposed Acquisition pursuant to the Terms Sheet. The Seller's Performance Rights will only be issued by the Company if the Proposed Acquisition is to complete.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Seller's Performance Rights does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Seller's Performance Rights

The effect of Resolution 5 will be to allow the Company to issue the Seller's Performance Rights during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 5 seeks approval for the issue of the Seller's Performance Rights for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 5 is approved, the Seller's Performance Rights issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 5:

(a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**

The Seller's Performance Rights will be issued to the Seller, or nominee(s) thereof, pursuant to the terms of the Proposed Acquisition.

- (b) **Maximum number and class of securities the entity is to issue**
20,000,000 Performance Rights.
- (c) **Terms of the securities**
The material terms of the Seller's Performance Rights are set out in Schedule 2.
- (d) **Date by which the entity will issue the securities**
The Seller's Performance Rights will be issued to the Seller, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Seller's Performance Rights will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).
- (e) **Issue price of the securities**
The Seller's Performance Rights will be issued for nil consideration (either at their issue or upon their conversion in accordance with the terms of the Performance Rights as set out in Schedule 2). The Company has not, and will not, receive any other consideration for the issue or conversion of the Seller's Performance Rights.
- (f) **Purpose of the issue and intended use of the funds raised**
The Seller's Performance Rights are to be issued to provide the Seller with consideration for the Proposed Acquisition. No funds will be raised from the issue of the Seller's Performance Rights if they are issued, as they are to be issued in connection with the Proposed Acquisition.
- (g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**
The Seller's Performance Rights are being issued pursuant to the Terms Sheet. Refer to section 1.2 above for a summary of the material terms and conditions of the Terms Sheet.
- (h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**
The Seller's Performance Rights are not being issued under, or to fund, a reverse takeover.
- (i) **Voting Exclusion Statement**
Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution seeking approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 5 is approved by Shareholders, then the Seller's Performance Rights will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is not approved by Shareholders, the Company will not be able to proceed with the issue of the Seller's Performance Rights, and the Company will not be able to complete the Proposed Acquisition.

Directors' Recommendation

The Directors unanimously recommend that Shareholders approve Resolution 5.

2.5 Resolution 6 – Issue of Corporate Advisor Shares to Corporate Advisor

Resolution 6 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of 1,350,000 Corporate Advisor Shares to CPS Capital (and/or its nominee(s)), in connection with corporate advisory services provided to the Company in association with the Placement and Proposed Acquisition generally. The Corporate Advisor Shares are issued pursuant to the Corporate Advisory Mandate and the terms and conditions set out in this Explanatory Statement.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Corporate Advisor Shares does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Corporate Advisor Shares.

The effect of Resolution 6 will be to allow the Company to issue the Corporate Advisor Shares during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 6 seeks approval for the issue of the Corporate Advisor Shares for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 6 is approved, the Corporate Advisor Shares issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 6:

- (a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**
The Corporate Advisor Shares will be issued to CPS Capital, or nominee(s) thereof, pursuant to the terms of the Corporate Advisor Mandate.
- (b) **Maximum number and class of securities the entity is to issue**
1,350,000 Shares.
- (c) **Terms of the securities**
The Corporate Advisor Shares will rank equally in all respects with existing Shares on issue.
- (d) **Date by which the entity will issue the securities**
The Corporate Advisor Shares will be issued to CPS Capital, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Corporate Advisor Shares will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).
- (e) **Issue price of the securities**
The deemed issue price for the Corporate Advisor Shares is \$0.09 per Share.

(f) **Purpose of the issue and intended use of the funds raised**

The Corporate Advisor Shares are to be issued to provide the Seller with consideration for the Proposed Acquisition. No funds will be raised from the issue of the Corporate Advisor Shares if they are issued, as they are to be issued in connection with the Proposed Acquisition.

(g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Corporate Advisor Shares are being issued pursuant to the Corporate Advisor Mandate. In addition to the Corporate Advisor Shares, the Company has agreed to pay the Corporate Advisor a fee of 6% of the funds raised by the Placement under the Placement (being \$300,000).

(h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Corporate Advisor Shares are not being issued under, or to fund, a reverse takeover.

(i) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 6 is approved by Shareholders, then the Corporate Advisor Shares will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue Shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 6 is not approved by Shareholders, the Corporate Advisor Shares will be included in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1, effectively decreasing the number of Shares that the Company can issue without Shareholder approval over the twelve (12) month period following the date of issue of the Placement Shares.

Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

2.6 Resolution 7 – Issue of Performance Rights to Corporate Advisor

Resolution 7 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 1,200,000 Corporate Advisor Performance Rights to CPS Capital (and/or its nominee(s)), in connection with corporate advisory services provided to the Company in association with the Placement and Proposed Acquisition generally. The Corporate Advisor Performance Rights are issued pursuant to the Corporate Advisory Mandate and the terms and conditions set out in this Explanatory Statement.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Corporate Advisor Performance Rights does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Corporate Advisor Performance Rights.

The effect of Resolution 7 will be to allow the Company to issue the Corporate Advisor Performance Rights during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 7 seeks approval for the issue of the Corporate Advisor Performance Rights for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 7 is approved, the Performance Rights issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 7:

(a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**

The Corporate Advisor Performance Rights will be issued to CPS Capital, or nominee(s) thereof, pursuant to the terms of the Corporate Advisor Mandate.

(b) **Maximum number and class of securities the entity is to issue**

1,200,000 Performance Rights.

(c) **Terms of the securities**

The Corporate Advisor Performance Rights are issued pursuant to the terms and conditions as set out in Schedule 2.

(d) **Date by which the entity will issue the securities**

The Corporate Advisor Performance Rights will be issued to the CPS Capital, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Corporate Advisor Performance Rights will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).

(e) **Issue price of the securities**

The Corporate Advisor Performance Rights will be issued for nil consideration (either at their issue or upon their conversion in accordance with the terms of the Performance Rights as set out in Schedule 2).

(f) **Purpose of the issue and intended use of the funds raised**

The Corporate Advisor Performance Rights are being issued pursuant to the Corporate Advisor Mandate. In addition to the Corporate Advisor Performance Rights and Corporate Advisor Shares (as detailed in Resolution 6 above), the Company has agreed to pay the Corporate Advisor a fee of 6% of the funds raised by the Placement under the Placement (being \$300,000).

(g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Corporate Advisor Performance Rights are being issued pursuant to the Corporate Advisor Mandate.

(h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Corporate Advisor Performance Rights are not being issued under, or to fund, a reverse takeover.

(i) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 7 is approved by Shareholders, then the Corporate Advisor Performance Rights will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue Shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 7 is not approved by Shareholders, the Corporate Advisor Performance Rights will be included in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1, effectively decreasing the number of Shares that the Company can issue without Shareholder approval over the twelve (12) month period following the date of issue of the Placement Shares.

Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

2.7 Resolution 8 – Appointment of Director – George Bauk

Resolution 8 is an ordinary resolution that seeks Shareholder approval to the appointment of George Bauk as Non-Executive Director of the Company ("**Proposed Director**").

Clause 12 of the Constitution provides that a person may be elected to the office of a director at a general meeting by Directors' nomination. The Directors may appoint any natural person to be a director either as an addition to the existing Directors or to fill a casual vacancy.

The appointment of the Proposed Director will become effective from Completion. A brief profile of George Bauk is set out below.

George Bauk

Mr Bauk is an experienced director with over 17 years experience as a listed company director in Australia with the resources industry in both production and exploration with assets in Western Australia, Australia and internationally. He is an experienced executive, with 30 years experience in the resources industry. Mr Bauk has held global operational and corporate roles with WMC Resources and Western Metals. Mr Bauk has a strong background in strategic management, business planning, building teams, finance and capital/debt raising, and experience with a variety of commodities in particular rare earths, lithium, graphite, gold, uranium and copper. During his time as Managing Director of Northern Minerals, he led its rapid development from a greenfields heavy rare earth explorer to one of a few global producers of high value dysprosium outside of China.

In addition to his current office of Executive Chairman of Valor, Mr Bauk is a Non-Executive Chairman for both Evion Group NL (ASX:EVG) and Lithium Australia Limited (ASX:LIT), and as Executive Director of PVW Resources Limited (ASX:PVW).

Directors' Recommendation

The Directors unanimously recommend that Shareholders approve Resolution 8.

2.8 Resolutions 9, 10, 11 & 12 – Issue of Performance Rights to Directors

Resolutions 9, 10, 11 & 12 are ordinary resolutions which seek Shareholder approval under Listing Rule 10.11 and Section 195(4) of the Corporations Act for the issue of Performance Rights to the Directors, or nominee(s) thereof ("**Directors Performance Rights**"), shortly after the Meeting or in any event, no later than one (1) month after the Meeting (or any such longer period permitted by ASX).

Corporations Act Section 208

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of securities) to a related party of a company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate, 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 Directors Performance Rights to Mr Brett Grosvenor (and/or his nominee(s)) constitutes giving a financial benefit and Mr Brett Grosvenor is a related party of the Company by virtue of being a Director. The Directors (other than Mr Brett Grosvenor who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Directors Performance Rights, given the arrangement to issue the Directors Performance Rights is to be considered reasonable remuneration in the circumstances.

The issue of Directors Performance Rights to Mr Simon Lawson (and/or his nominee(s)) constitutes giving a financial benefit and Mr Simon Lawson is a related party of the Company by virtue of being a Director. The Directors (other than Mr Simon Lawson, who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Directors Performance Rights, given the arrangement to issue the Directors Performance Rights is to be considered reasonable remuneration in the circumstances.

The issue of Directors Performance Rights to Mr Cai Kecheng (and/or his nominee(s)) constitutes giving a financial benefit and Mr Cai Kecheng is a related party of the Company by virtue of being a Director. The Directors (other than Mr Cai Kecheng who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Directors Performance Rights, given the arrangement to issue the Directors Performance Rights is to be considered reasonable remuneration in the circumstances.

The issue of Directors Performance Rights (subject to the approval of Resolution 8) to Mr George Bauk (and/or his nominee(s)) constitutes giving a financial benefit and Mr George Bauk is (subject to the approval of Resolution 8) a related party of the Company by virtue of being a Director. The Directors (other than Mr George Bauk who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Directors Performance Rights, given the arrangement to issue the Directors Performance Rights is to be considered reasonable remuneration in the circumstances.

Corporations Act Section 195

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of Directors when matters in which that director holds a material personal interest are being considered, except in certain limited circumstances.

Section 195(4) relevantly provides that if there are not enough directors to form a quorum for a directors meeting because of this restriction, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

Each of the Directors may be considered to have a material personal interest in the outcome of Resolutions 9, 10, 11 and 12. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolution 9, 10, 11 and 12 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and good corporate governance, the Company seeks Shareholder approval for Resolutions 9, 10, 11 and 12 for the purposes of Section 195(4) of the Corporations Act in respect of the reliance on the reasonable remuneration exception under Section 211 of the Corporations Act and the decision not to seek Shareholder approval under Section 208 of the Corporations Act.

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:

- (a) a related party;
- (b) a person who is, or was at any time in the six (6) months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the six (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;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 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 the Directors Performance Rights to the Directors falls within Listing Rule 10.11.1 (a related party) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 9, 10, 11 and 12 seek the required Shareholder approval to the issue of the Directors Performance Rights to the Directors, being Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and Mr George Bauk, or nominee(s) thereof, under, and for, the purposes of Listing Rule 10.11.

If Resolutions 9, 10, 11 and 12 are passed, the Company will be able to proceed with the issue of the Directors Performance Rights to Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and Mr George Bauk, or nominee(s) thereof, respectively.

If Resolutions 9, 10, 11 and 12 are not passed, the Company will not be able to proceed with the issue of the Directors Performance Rights to Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and Mr George Bauk, or nominee(s) thereof, respectively and, as a result, may not be able to retain the service of the Directors.

Further, exception 14 of Listing Rule 7.2 states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

Listing Rule 10.13

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolutions 9, 10, 11 and 12 as an exception to ASX Listing Rule 10.11:

(a) **The name of the allottee of the securities**

The names of the allottees of the securities are, for Resolution 9 Mr Brett Grosvenor, for Resolution 10 Mr Simon Lawson, for Resolution 11 Mr Cai Kecheng, and for Resolution 12 Mr George Bauk, or nominee(s) thereof.

(b) **The maximum number of securities to be allotted and issued**

The maximum number of securities to be allotted and issued pursuant to Resolutions 9, 10, 11 and 12 respectively are as follows:

Director	Directors Performance Rights
Mr Brett Grosvenor (or nominee(s))	3,000,000
Mr Simon Lawson (or nominee(s))	1,000,000
Mr Cai Kecheng (or nominee(s))	1,000,000
Mr George Bauk (or nominee(s))	2,000,000
Total	7,000,000

(c) **The date of allotment and issue of the securities**

Any Directors Performance Rights to be issued to the Directors will be issued at the same time as the Directors Performance Rights will be issued to the Directors, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Directors Performance Rights will be issued later than one (1) month after the Meeting (or any such longer period permitted by ASX).

(d) **The relationship that requires Shareholder approval**

Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and Mr George Bauk are all related parties of the Company under section 228 of the Corporations Act, and related parties for the purposes of Listing Rule 10.11.1, by virtue of being Directors of the Company.

(e) **The issue price of the securities**

The Directors Performance Rights will be issued for nil consideration (either at their issue or upon their conversion in accordance with the terms of the Directors Performance Rights as set out in Schedule 3).

(f) **The terms of the securities**

Full terms of the Directors Performance Rights are set out in Schedule 3.

(g) **The intended use of the funds**

No funds will be raised through the issue of the Directors Performance Rights under Resolutions 9, 10, 11 and 12.

(h) **Director's total remuneration package for the current financial year**

The table below sets out the total remuneration package for the current financial year for each Director (including all cash, securities (including the Directors Performance Rights) and superannuation payments).

Director	Remuneration for current financial year
Mr Brett Grosvenor (or related parties)	\$157,680
Mr Simon Lawson (or related parties)	\$42,000
Mr Cai Kecheng (or related parties)	\$42,000
Mr George Bauk (or related parties)	\$42,000
Total	\$283,680

(i) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Directors Performance Rights are not being issued under an agreement.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 10.11 above) and what will happen if security holders give, or do not give, that approval.

If Resolutions 9, 10, 11 and 12 are passed, the Company will be able to proceed with the issue of the Directors Performance Rights to Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and and Mr George Bauk, or nominee(s) thereof, respectively.

If Resolutions 9, 10, 11 and 12 are not passed, the Company will not be able to proceed with the issue of the Directors Performance Rights to Mr Brett Grosvenor, Mr Simon Lawson, Mr Cai Kecheng and and Mr George Bauk, or nominee(s) thereof, respectively and, as a result, the Company will have to consider alternative commercial means to incentivise the Directors.

Directors' Recommendation

Given the material personal interests of all the Directors in the outcome of Resolutions 9, 10 and 11, the Directors decline to make a recommendation to Shareholders in in relation to Resolutions 9, 10 and 11.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 12.

2.9 Resolution 13 – Issue of Performance Rights to Craig McNab

Resolution 13 is an ordinary resolution which seeks Shareholder approval under Listing Rule 7.1 for the issue of 750,000 Performance Rights to Craig McNab (and/or his nominee(s)) ("**Company Secretary Performance Rights**"). The Company Secretary Performance Rights are proposed to be issued as a cost-effective incentive based form of remuneration in connection with Craig McNab's role as Company Secretary and are pursuant to the terms and conditions set out in this Explanatory Statement.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior Shareholder approval is required for an issue of securities by a company if those securities, when aggregated with the securities

issued by the company without approval and which were not subject to an exception during the previous twelve (12) months, exceed fifteen percent (15%) of the number of Shares on issue at the commencement of that twelve (12) month period.

The proposed issue of the Company Secretary Performance Rights does not fall within any of the exceptions to Listing Rule 7.1 and the Company does not have sufficient placement capacity remaining under Listing Rule 7.1 or 7.1A to accommodate the issue. The Company therefore requires the approval of Shareholders under Listing Rule 7.1 for the issue of the Company Secretary Performance Rights.

The effect of Resolution 13 will be to allow the Company to issue the Company Secretary Performance Rights during the period of three (3) months after the Meeting or a longer period, if allowed by ASX, without using the Company's fifteen percent (15%) annual placement capacity under Listing Rule 7.1.

Resolution 13 seeks approval for the issue of the Company Secretary Performance Rights for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 13 is approved, the Company Secretary Performance Rights issued will not affect the capacity of the Company to issue securities in the next twelve (12) months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 13:

(a) **Names of the persons to whom the entity will issue the securities or basis upon which those persons will be identified or selected**

The Company Secretary Performance Rights will be issued to Craig McNab, or nominee(s) thereof, pursuant to the terms and conditions set out in Schedule 3.

(b) **Maximum number and class of securities the entity is to issue**

750,000 Performance Rights.

(c) **Terms of the securities**

The Company Secretary Performance Rights are issued pursuant to the terms and conditions as set out in Schedule 3.

(d) **Date by which the entity will issue the securities**

The Company Secretary Performance Rights will be issued to Craig McNab, or nominee(s) thereof, shortly after the Meeting. In any event, however, no Company Secretary Performance Rights will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).

(e) **Issue price of the securities**

The Company Secretary Performance Rights will be issued for nil consideration (either at their issue or upon their conversion in accordance with the terms of the Company Secretary Performance Rights as set out in Schedule 3).

(f) **Purpose of the issue and intended use of the funds raised**

The Company Secretary Performance Rights are being issued to Craig McNab, or nominee(s) thereof, as a cost-effective incentive based form of remuneration in connection with his role as Company Secretary.

(g) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Company Secretary Performance Rights are not being issued under an agreement.

(h) **If the securities are to be issued under, or to fund, a reverse takeover, information about the reverse takeover**

The Company Secretary Performance Rights are not being issued under, or to fund, a reverse takeover.

(i) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice of Meeting.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.1 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 13 is approved by Shareholders, the issue of Company Secretary Performance Rights will be excluded in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1 and the Company will retain the flexibility to issue Shares in the future up to the fifteen percent (15%) placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 13 is not approved by Shareholders, the issue of Company Secretary Performance Rights will be included in calculating the Company's fifteen percent (15%) limit in Listing Rule 7.1, effectively decreasing the number of Shares that the Company can issue without Shareholder approval over the twelve (12) month period following the date of issue of the Placement Shares.

Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 13.

2.10 Resolutions 14 & 15 – Approval for Directors to participate in Placement

Resolutions 14 and 15 are ordinary resolutions which seek Shareholder approval under Listing Rule 10.11 and Section 195(4) of the Corporations Act for the issue of up to 1,988,889 Shares to Brett Grosvenor and George Bauk, or nominee(s) thereof, ("**Participating Directors**") on the same terms as the Placement Participants.

Corporations Act Section 208

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of securities) to a related party of a company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate, 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 Shares to Mr Brett Grosvenor (and/or his nominee(s)) constitutes giving a financial benefit and Mr Brett Grosvenor is a related party of the Company by virtue of being a Director. The Directors (other than Mr Brett Grosvenor who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Shares, given the Shares are to be issued on the same basis as those Placement Shares issued to unrelated party participants in the Placement, and as such, the giving of the financial benefit is on arm's lengths terms.

The issue of Shares (subject to the approval of Resolution 8) to Mr George Bauk (and/or his nominee(s)) constitutes giving a financial benefit and Mr George Bauk is (subject to the approval of Resolution 8) a related party of the Company by virtue of being a Director. The Directors consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of Shares, given the Shares are to be issued on the same basis as those

Placement Shares issued to unrelated party participants in the Placement, and as such, the giving of the financial benefit is on arm's lengths terms.

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:

- a related party;
- a person who is, or was at any time in the six (6) months before the issue or agreement, a substantial (30%+) holder in the company;
- a person who is, or was at any time in the six (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;
- an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 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 the Shares to the Participating Directors falls within Listing Rule 10.11.1 (a related party) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 14 and 15 seek the required Shareholder approval to the issue of the Shares to the Participating Directors under, and for the purposes of, Listing Rule 10.11.

If Resolutions 14 and 15 are passed, the Company will be able to proceed with the issue of the Shares to the Participating Directors.

If Resolutions 14 and 15 are not passed, the Company will not be able to proceed with the issue of Shares to the Participating Directors.

Further, exception 14 of Listing Rule 7.2 states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

Listing Rule 10.13

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolutions 14 and 15 as an exception to ASX Listing Rule 10.11:

(a) The name of the allottee of the securities

The names of the allottees of the securities are, for Resolution 14 Mr Brett Grosvenor and for Resolution 15 Mr George Bauk, or nominee(s) thereof.

(b) The maximum number of securities to be allotted and issued

The maximum number of securities to be allotted and issued pursuant to Resolutions 14 and 15 respectively (being the respective contributions to the Placement by the Participating Directors) are as follows:

Director	Shares
Mr Brett Grosvenor (or nominee(s))	1,555,556 Shares
Mr George Bauk (or nominee(s))	433,333 Shares
Total	1,988,889 Shares

(c) **The date of allotment and issue of the securities**

Any Shares to be issued to the Directors will be issued at the same time as the Shares will be issued to the Participating Directors, shortly after the Meeting. In any event, however, no Shares will be issued later than three (3) months after the Meeting (or any such longer period permitted by ASX).

(d) **The relationship that requires Shareholder approval**

Mr Brett Grosvenor and Mr George Bauk are (subject to the approval of Resolution 8), both related parties of the Company under section 228 of the Corporations Act, and related parties for the purposes of Listing Rule 10.11.1, by virtue of being Directors of the Company.

(e) **The issue price of the securities**

The issue price of the Shares is \$0.09 per Share.

(f) **The terms of the securities**

The Shares are to be issued on the same terms as the Tranche 2 Placement Shares, that is, pursuant to the terms of the Placement Offer Letter.

(g) **The intended use of the funds**

The purpose of the issue of the Shares will be to provide the Company with sufficient funds to commence expenditure on the Projects. The allocation of funds pursuant to the Placement are set out in paragraph 1.5 above.

(h) **Director's total remuneration package for the current financial year**

The Shares to be issued under the Participation are not intended to remunerate the Participating Directors. The Directors total remuneration package, as set out in table provided in Resolutions 8 to 11 above, is unaffected.

(i) **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Shares are proposed to be issued pursuant to the terms of the Placement Offer Letter.

Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 10.11 above) and what will happen if security holders give, or do not give, that approval.

If Resolutions 14 and 15 are approved by Shareholders, then the Company will be able to proceed with the issue of the Shares to the Participating Directors.

If Resolutions 14 and 15 are not approved by Shareholders, then the Company will not be able to proceed with the issue of the Shares to the Participating Directors.

Directors' Recommendation

The Directors (other than Mr Brett Grosvenor who has a material personal interest in the outcome of Resolution 14) unanimously recommend that Shareholders approve Resolutions 14 and 15.

3. DEFINITIONS

In this Notice of Meeting and Explanatory Statement, the following terms have the following meanings:

"ASIC" means the Australian Securities and Investments Commission.

"Associate" has the meaning set out in sections 11 to 17 of the Corporations Act, as applicable and as applied in accordance with the note to Listing Rule 14.11.

"ASX" means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

"AWST" means Australian Western Standard Time.

"Board" means the board of Directors.

"Chair" means the chairperson of the Meeting.

"Company" means Firetail Resources Limited (ACN 651 057 822).

"Company Secretary Performance Rights" means the total of up to 750,000 Performance Rights issued to Craig McNab (and/or his nominee(s)) pursuant to the terms and conditions set out in Schedule 3.

"Consideration" means the Exclusivity Fee, Cash Consideration, Consideration Shares and Performance Rights.

"Consideration Shares" means the 15,000,000 Shares at a deemed issue price of \$0.10 per Share to be issued at completion of the Proposed Acquisition to the Seller, or nominee(s) thereof.

"Constitution" means the current constitution of the Company.

"Corporate Advisor" means CPS Capital Group Pty Ltd (ACN 088 055 636).

"Corporate Advisor Mandate" means the agreement between the Company and the Corporate Advisor for the Corporate Advisor's services in connection with the Placement and the Proposed Acquisition generally.

"Corporate Advisor Performance Rights" means the issue of Performance Rights to CPS Capital pursuant to the terms of the Corporate Advisor Mandate and the terms set out in Schedule 2.

"Corporate Advisor Shares" means the 1,350,000 Shares at an issue price of \$0.09 per Share issued to the Consultant in lieu of cash payments owed to the Consultant under a technical consultancy agreement.

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

"COVID-19" means the coronavirus disease COVID-19.

"Director" or **"Directors"** means the directors of the Company.

"Directors Performance Rights" means the total of up to 7,000,000 Performance Rights issued to the Directors, or nominee(s) thereof pursuant to the terms and conditions set out in Schedule 3.

"Explanatory Statement" means this explanatory statement incorporated in this Notice of Meeting.

"Listing Rules" means the listing rules of the ASX, as amended from time to time.

“Meeting” or “General Meeting” means the General Meeting of Shareholders to be held at Level 8, London House, 216 St Georges Terrace, Perth WA 6000 on 21 August 2023, commencing at 2.00pm (AWST).

“Non-Executive Director” means a non-executive director of the Company.

“Notice of Meeting” means the notice of General Meeting incorporating this Explanatory Statement.

“Official List” means the official list of the ASX.

“Participating Directors” means both Mr Brett Grosvenor and Mr George Bauk (and/or their nominee(s)).

“Performance Rights” means right to subscribe to Shares subject to the applicable terms and conditions.

“Person” means, in relation to a Voting Exclusion Statement for a Resolution for the purposes of:

- Listing Rules 7.1 or 7.1A, 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 Shares in the Company);
- Listing Rule 7.4, a person who participated in the issue or is a counterparty to the agreement being approved; and
- Listing Rule 10.11, a person who is to receive the securities in question 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 Shares in the Company).

“Placement” means the placement of the Placement Shares to Placement Participants to raise an aggregate total of \$5,000,000.

“Placement Offer Letter” means the letter(s) provided to the Placement Participants for the purposes of participating in the issue of Placement Shares by the Company.

“Placement Participant” means a sophisticated and/or professional investor or otherwise exempt investor to whom securities may be offered by the Company without disclosure under section 708 of the Corporations Act.

“Placement Shares” means a total of 55,555,556 Shares at an issue price of \$0.09 per Share to be issued pursuant to the Placement.

“Proposed Acquisition” means the proposed acquisition of up to 80% of the issued share capital of Kiwanda from the Seller as summarised in section 1.1 and described in more detail throughout this Notice.

“Proxy Form” means the proxy form attached to this Notice of Meeting.

“Resolution” means a resolution to be put to the Shareholders as set out in the Notice of Meeting.

“Schedule” means a schedule to this Explanatory Statement.

“Seller’s Performance Rights” means 20,000,000 Performance Rights to be issued to the Seller, or nominee(s) thereof, at completion of the Proposed Acquisition, which will convert into Shares on the terms and conditions of the Performance Rights as set out in Schedule 2.

“Share” means an ordinary fully paid share in the Company.

“Shareholder” means a holder of one or more Shares.

“Tenements” means the tenements held by the Seller at completion of the Proposed Acquisition as detailed in Schedule 1.

“Terms Sheet” means the binding terms sheet dated 30 June 2023 entered into by the Company and the Seller in relation to the Company’s acquisition of up to 80% of the shareholding interest in Kiwanda.

“Transaction Resolutions” means the transaction resolutions under this Notice of Meeting, being Resolutions 3 to 7.

“Vesting Condition” means the respective performance milestones to be satisfied for the Performance Rights to convert to Shares, as detailed in Schedule 2.

“Voting Exclusion Statement” means a voting exclusion statement as required by ASX Listing Rule 14.11.

“Voting Power” has the same meaning as given to that term in the Corporations Act.

SCHEDULE 1 - PRO FORMA STATEMENT OF FINANCIAL POSITION

31 December 2022

	1	2	3	
	FTL as at 31 Dec 2022 (REVIEWED)	Capital Raising	Proposed Acquisition & Performance Rights	Pro Forma (UNAUDITED)
	A\$	A\$	A\$	A\$
Current Assets				
Cash and cash equivalents	5,938,247	4,600,000	(750,000)	9,788,247
Trade and other receivables	107,909	-	-	107,909
Total Current Assets	6,046,156	4,600,000	(750,000)	9,896,156
Non-Current Assets				
Exploration and evaluation expenditure	7,863,465	-	4,250,000	12,113,465
Financial asset available for sale	953,125	-	-	953,125
Plant and equipment	37,061	-	-	37,061
Right-of-use asset	27,852	-	-	27,852
Other receivables	16,867	-	-	16,867
Total Non-Current Assets	8,898,370	-	4,250,000	13,148,370
Total Assets	14,944,526	4,600,000	3,500,000	23,044,526
Current Liabilities				
Trade and other payables	350,452	-	-	350,452
Lease liabilities	28,382	-	-	28,382
Provisions	2,957	-	-	2,957
Total Current Liabilities	381,791	-	-	381,791
Total Liabilities	381,791	-	-	381,791
Net Assets	14,562,735	4,600,000	3,500,000	22,662,735
Equity				
Issued Capital	17,277,485	4,600,000	1,635,000	23,512,485
Reserves	830,287	-	2,895,000	3,725,287
Asset revaluation reserve	(1,687,500)	-	-	(1,687,500)
Accumulated losses	(1,857,537)	-	(1,030,000)	(2,887,537)
Total Equity	14,562,735	4,600,000	3,500,000	22,662,735

SCHEDULE 2 – TERMS OF SELLER'S PERFORMANCE RIGHTS & CORPORATE ADVISOR PERFORMANCE RIGHTS

The Performance Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

1. Entitlement

Each Performance Right entitles the holder of the Performance Right ("**Holder**") to be issued one (1) fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including satisfaction of the Vesting Condition (defined below).

2. No cash consideration

The Performance Rights will be granted for no cash consideration.

3. Vesting

The Performance Rights will vest upon the satisfaction of the respective performance milestones detailed in the table below ("**Vesting Conditions**").

	Vesting Condition	Seller's Performance Rights Vested	Corporate Advisor Performance Rights Vested	Expiry Date
Stage 1 Performance Milestone	<p>Either:</p> <p>(a) Completion of a:</p> <p>(i) minimum of 5,000m of diamond drilling (Stage 1 Minimum Diamond Drilling Amount); and</p> <p>(ii) mineralised intersection of at least:</p> <p>A. 50m @ 1% Cu; or</p> <p>B. 10m @ 2.5 % Cu,</p> <p>(together, the Mineralised Intersection Targets); or</p> <p>(b) Firetail proceeds to Stage 2.</p>	10,000,000	600,000	18 months from the granting of the drilling permits at Picha Project and, in any event, within 2 years from the date of issue of the Performance Rights.
Stage 2 Performance Milestone	<p>Either:</p> <p>(a) Completion of a further:</p> <p>(i) 3,000m of drilling (in addition to the Stage 1 Minimum Diamond Drilling Amount); and</p> <p>(ii) two (2) mineralised intersections with the same results as one (or both) of the Mineralised Intersection Targets for the Stage 1 Performance Milestone,</p> <p>at the Picha Project; or</p> <p>(b) Firetail continues to drill past the aggregate 8,000m drilling target at the Picha Project.</p>	10,000,000	600,000	18 months from the granting of the drilling permits at Picha Project and, in any event, within 2 years from the date of issue of the Performance Rights.

4. Lapse

If the Vesting Condition is not satisfied by 5.00pm (AWST) on the date that is eighteen (18) months from the date of grant of drilling permits at the Picha Project and, in any event, within two (2) years from the date of issue of the Performance Rights (Expiry Date), then the performance rights will automatically lapse.

5. Exercise

Subject to paragraphs 3 and 4, Performance Rights may only be exercised by notice in writing to the Company ("**Exercise Notice**"). Any Exercise Notice for a Performance Right received by the Company will be deemed to be a notice of the exercise of that Performance Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

Any Performance Rights that have vested before the Expiry Date but have not been exercised will be automatically exercised on the Expiry Date.

6. Shares issued on exercise

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

7. Shareholder and regulatory approvals

Despite any other provision of these terms and conditions, exercise of Performance Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act.

Holders must give notification to the Company in writing if they consider that the exercise of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

8. 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, the Company will issue a prospectus pursuant to section 708A(11) of the Corporations Act to allow those Shares to be traded within twelve (12) months after they are issued.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

10. 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) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

11. Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

12. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. Change of Control Event

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a Court sanctioned scheme of arrangement or any other merger involving the Company occurs which results in the holders of Shares holding 50% or less of the voting shares in the Company, subject to the ASX Listing Rules, the Board may in its sole discretion determine that all or a percentage of unvested Performance Rights will vest and become exercisable.

14. Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

15. Transferability

Performance Rights are non-transferrable and consequently, will not be quoted on the ASX or any other recognised exchange.

16. Compliance with laws

If the Corporations Act, the ASX Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the ASX Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

SCHEDULE 3 – TERMS OF DIRECTORS PERFORMANCE RIGHTS & COMPANY SECRETARY PERFORMANCE RIGHTS

The Performance Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

1. Entitlement

Each Performance Right entitles the holder of the Performance Right (“**Holder**”) to be issued one (1) fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including satisfaction of the Vesting Condition (defined below).

17. No cash consideration

The Performance Rights will be granted for no cash consideration.

18. Vesting

The Performance Rights will vest upon the satisfaction of the respective performance milestones detailed in the table below (“**Vesting Conditions**”).

	Vesting Condition	% of Performance Rights Vested	Expiry Date
Stage 1 Performance Milestone	The share price of the Company’s Shares as traded on the ASX achieving a volume weighted average market price of \$0.18 per Share or more over 30 consecutive trading days on which Shares have traded	20%	3 years
Stage 2 Performance Milestone	The share price of the Company’s Shares as traded on the ASX achieving a volume weighted average market price of \$0.25 per Share or more over 30 consecutive trading days on which Shares have traded	20%	3 years
Stage 3 Performance Milestone	Either: (a) Completion of a: (iii) minimum of 5,000m of diamond drilling (Stage 1 Minimum Diamond Drilling Amount); and (iv) mineralised intersection of at least: A. 50m @ 1% Cu; or B. 10m @ 2.5 % Cu, (together, the Mineralised Intersection Targets); or (b) Firetail proceeds to Stage 2.	30%	18 months from the granting of the drilling permits at Picha Project and, in any event, within 2 years from the date of issue of the Performance Rights.
Stage 4 Performance Milestone	Either: (a) Completion of a further: (iii) 3,000m of drilling (in addition to the Stage 1 Minimum Diamond Drilling Amount); and (iv) two (2) mineralised intersections with the same results as one (or both) of the Mineralised Intersection Targets for the Stage 1 Performance Milestone, at the Picha Project; or (b) Firetail continues to drill past the aggregate 8,000m drilling target at the Picha Project.	30%	18 months from the granting of the drilling permits at Picha Project and, in any event, within 2 years from the date of issue of the Performance Rights.

19. Lapse

With respect to the Stage 1 Performance Milestone and Stage 2 Performance Milestone, if the applicable Vesting Condition is not satisfied by 5.00pm (AWST) on the date that is three (3) years from the date of issue of the Performance Rights (Expiry Date), then the Performance Rights will automatically lapse, proportionate to the percentage attributed to the respective Performance Milestone.

With respect to the Stage 3 Performance Milestone and the Stage 4 Performance Milestone, if the applicable Vesting Condition is not satisfied eighteen (18) months from the date of grant of drilling permits at the Picha Project and, in any event, within two (2) years from the date of issue of the Performance Rights (Expiry Date), then the Performance Rights will automatically lapse, proportionate to the percentage attributed to the respective Performance Milestone.

2. Exercise

Subject to paragraphs 3. and 4, Performance Rights may only be exercised by notice in writing to the Company ("**Exercise Notice**"). Any Exercise Notice for a Performance Right received by the Company will be deemed to be a notice of the exercise of that Performance Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

Any Performance Rights that have vested before the Expiry Date but have not been exercised will be automatically exercised on the Expiry Date.

3. Shares issued on exercise

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

4. Shareholder and regulatory approvals

Despite any other provision of these terms and conditions, exercise of Performance Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act.

Holders must give notification to the Company in writing if they consider that the exercise of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

5. 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, the Company will issue a prospectus pursuant to section 708A(11) of the

Corporations Act to allow those Shares to be traded within twelve (12) months after they are issued.

6. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

7. 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) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

8. Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

9. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

10. Change of Control Event

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a Court sanctioned scheme of arrangement or any other merger involving the Company occurs which results in the holders of Shares holding 50% or less of the voting shares in the Company, subject to the ASX Listing Rules, the Board may in its sole discretion determine that all or a percentage of unvested Performance Rights will vest and become exercisable.

11. Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

12. Transferability

Performance Rights are non-transferrable and consequently, will not be quoted on the ASX or any other recognised exchange.

13. Compliance with laws

If the Corporations Act, the ASX Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the ASX Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.



21 July 2023

Investor Name(s) <designation>
C/O Example Ltd
PO BOX 0000
MELBOURNE VIC 3000

SAVE TIME & VOTE ONLINE:

Go to the address below or scan the QR code.

 registrydirect.com.au/investor



PROXY FORM

Please complete and return this form if you wish to appoint a proxy and/or direct how you want your votes cast at the General Meeting of Firetail Resources Limited (ABN 67 651 057 822) to be held at 2:00 p.m. AWST on Monday, 21 August 2023 at Level 8 London House, 216 St Georges Terrace, Perth WA 6000 and at any adjournment or postponement of the meeting. This form must be completed and returned by 2:00 p.m. AWST on Saturday, 19 August 2023.

Alternatively, you can appoint a proxy and/or direct how you want your votes cast online at <https://www.registrydirect.com.au/investor/>.

Step 1 - Appoint your Proxy

I/We are or represent a member/s of Firetail Resources Limited and entitled to attend and vote hereby appoint:

☐

the Chairperson of the Meeting (mark box with 'X')

OR

Write here the name of the person (or body corporate) you are appointing if this person is someone other than the Chairperson of the Meeting

or failing attendance at the meeting of the person or body corporate named above, or if no person is named, the Chairperson of the Meeting, to act generally at the meeting on my/our behalf and to vote in accordance with the directions on this proxy form or, if no directions have been given and to the extent permitted by law, as he or she sees fit, at the General Meeting of Firetail Resources Limited to be held at 2:00 p.m. AWST on Monday, 21 August 2023 at Level 8 London House, 216 St Georges Terrace, Perth WA 6000 and at any adjournment or postponement of the meeting.

This form authorises our proxy to vote on the lesser of

☐

all our securities

OR

☐

_____ securities

I/We acknowledge, if the Chairperson of the Meeting is appointed as our proxy (or becomes our proxy by default), the Chairperson of the Meeting intends to vote undirected proxies in the manner set out with each resolution below, even when the Chairperson of the Meeting has a conflict of interest.

Step 2 - Direct how your votes are to be cast

Resolution 1

RATIFICATION OF PRIOR ISSUE OF
TRANCHE 1 PLACEMENT SHARES

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 2

RATIFICATION OF PRIOR ISSUE OF
TRANCHE 1 PLACEMENT SHARES

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 3

ISSUE OF TRANCHE 2 PLACEMENT
SHARES

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 4

ISSUE OF CONSIDERATION SHARES TO
SELLER

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 5

ISSUE OF PERFORMANCE RIGHTS TO
SELLER

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 6

ISSUE OF CORPORATE ADVISOR
SHARES TO CORPORATE ADVISOR

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 7

ISSUE OF PERFORMANCE RIGHTS TO
CORPORATE ADVISOR

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

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Resolution 8

APPOINTMENT OF PROPOSED
DIRECTOR - MR GEORGE BAUK

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 9

ISSUE OF PERFORMANCE RIGHTS TO
DIRECTOR - MR BRETT GROSVENOR

Resolution type: **Ordinary**

Board recommendation: **Not provided**

Chairperson's voting intention: **For**

FOR

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AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 10

ISSUE OF PERFORMANCE RIGHTS TO
DIRECTOR - MR SIMON LAWSON

Resolution type: **Ordinary**

Board recommendation: **Not provided**

Chairperson's voting intention: **For**

FOR

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AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

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Resolution 11

ISSUE OF PERFORMANCE RIGHTS TO
DIRECTOR - MR CAI KECHENG

Resolution type: **Ordinary**

Board recommendation: **Not provided**

Chairperson's voting intention: **For**

FOR

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AGAINST

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ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 12

ISSUE OF PERFORMANCE RIGHTS TO
DIRECTOR - MR GEORGE BAUK

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

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AGAINST

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ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 13

ISSUE OF PERFORMANCE RIGHTS TO
COMPANY SECRETARY - MR CRAIG
MCNAB

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 14

APPROVAL FOR DIRECTOR TO
PARTICIPATE IN THE PLACEMENT - MR
BRETT GROSVENOR

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 15

APPROVAL FOR DIRECTOR TO
PARTICIPATE IN THE PLACEMENT - MR
GEORGE BAUK

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Step 3 - Sign this form

Shareholder 1 (individual)

Sole Director & Sole Company Secretary

Joint Shareholder 2 (individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (individual)

Director

Date

Contact name

Mobile number

Email

By providing an email you agree to receive future communications electronically

SIGNING INSTRUCTIONS FOR THE PROXY FORM

Individual:

Where the holder is an individual, the security holder must sign.

Joint holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you are executing the Proxy Form under a Power of Attorney and have not previously supplied a copy, please attach a certified copy of the Power of Attorney to the Proxy Form when you return it.

Companies:

When the holder is a company, and the company has a sole director who is also the sole company secretary, the Proxy Form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise the Proxy Form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held and delete titles as applicable.

RETURNING THE PROXY FORM


Please note our preference is you appoint your proxy and direct how you require your vote/s be cast online. If you perform these actions online, you will not need to complete or return the Proxy Form. You can complete these actions by logging in to your account at www.registrydirect.com.au/investor.

You can return the Proxy Form by:


EMAIL:

 registry@registrydirect.com.au

POST:

 PO Box 572
Sandringham Victoria 3191

FAX:

 +61 3 9111 5652