
MOUNT RIDLEY MINES LIMITED
ACN 092 304 964
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00 am (WST)
DATE: 29 November 2021
PLACE: RM Corporate
Level 1
1205 Hay Street
WEST PERTH WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11:00 AM (WST) on 27 November 2021.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

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

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

2. RESOLUTION 2 – ELECTION OF DIRECTOR – GRAEME JOHNSTON

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

"That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Graeme Johnston, a Director who was appointed as an additional Director on 1 December 2020, retires, and being eligible, is elected as a Director."

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SIMON MITCHELL

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

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Simon Mitchell, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF JULY PLACEMENT SHARES – LISTING RULE 7.1

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, Shareholders ratify the issue of 654,092,205 July Placement Shares on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 – APPROVAL TO ISSUE JULY PLACEMENT FREE-ATTACHING OPTIONS

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 654,092,205 July Placement Options on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SEPTEMBER PLACEMENT SHARES – LISTING RULE 7.1A

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, Shareholders ratify the issue of 436,103,136 September Placement Shares on the terms and conditions set out in the Explanatory Statement.”

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

8. RESOLUTION 8 – APPROVAL TO ISSUE SEPTEMBER PLACEMENT FREE-ATTACHING OPTIONS

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 436,103,136 September Placement Options on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 9 – APPROVAL TO ISSUE LEAD MANAGER SHARES TO RM CORPORATE

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 39,245,532 Lead Manager Shares to RM Corporate (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 10 – APPROVAL TO ISSUE LEAD MANAGER SHARES TO RM CORPORATE

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 26,166,185 Lead Manager Shares to RM Corporate (or their nominee) on the terms and conditions set out in the Explanatory Statement."

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

Dated: 25 October 2021

By order of the Board

**Johnathon Busing
Company Secretary**

Voting Prohibition Statements

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

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

Resolution 5 – Ratification of prior issue of July Placement Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely the July Placement Participants) or an associate of that person or those persons.
Resolution 6 – Approval to issue July Placement Free-Attaching Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, the July Placement Participants) or an associate of that person (or those persons).
Resolution 7 – Ratification of prior issue of September Placement Shares – Listing Rule 7.1A	A person who participated in the issue or is a counterparty to the agreement being approved (namely the September Placement Participants) or an associate of that person or those persons.
Resolution 8 – Approval to issue September Placement Free-Attaching Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the September Placement Participants) or an associate of that person (or those persons).
Resolution 9 – Issue of Options to RM Corporate	RM Corporate (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 10 – Issue of Options to RM Corporate	

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6165 8858.

EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.mtridleymines.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

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

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

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

1.2 Voting consequences

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

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

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

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

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2. RESOLUTION 2 – ELECTION OF DIRECTOR – GRAEME JOHNSTON

2.1 General

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

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

Graeme Johnston, having been appointed by other Directors on 1 December 2020 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

2.2 Qualifications and other material directorships

Mr Johnston is a geologist with over 30 years' experience in Australia, the Middle East, Romania, Malaysia and the Democratic Republic of Congo ("DRC"), with exposure to a range of commodities, including iron, gold and lithium. He specialises on the transition period between orebody delineation and mine opening.

Mr Johnston's experience with iron extends from engagements with Rio Tinto and then Midwest Corporation where he was the Principal Geologist during its sale to Sinosteel Corporation for US\$1.4 billion. This was followed by nine years as Technical Director of Ferrowest Limited, contributing to the successful completion of the Feasibility Study for the Yalgoo Pig Iron Project.

Mr Johnston is also the Technical Director for AVZ Minerals Limited, following on from his role of Project Manager for the Manono Lithium Project in the DRC.

2.3 Independence

Mr Johnston has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Johnston will be an independent Director.

2.4 Other material information

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

bankruptcy history.] The Company undertook such checks prior to the appointment of Mr Johnston.

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

2.5 Board recommendation

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

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SIMON MITCHELL

3.1 General

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

Simon Mitchell, who has served as a Director since 14 October 2019 and was elected on 28 November 2019, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Mitchell is a geologist and finance executive with 31 years of resources industry experience in technical and corporate roles including 10 years gold exploration and mine development experience with Normandy NFM, RGC, Goldfields and Aurora Gold in countries as diverse as Australia, Bolivia, Chile, Peru, Papua New Guinea and Indonesia. Mr Mitchell worked for 6 years at the Commonwealth Bank Australia, predominantly in Project Finance, and more than 6 years with Toro Energy as General Manager of Business Development where he was responsible for mergers and acquisitions, capital raisings and the engagement of investors worldwide.

Mr Mitchell is the Managing Director of Korean gold explorer Southern Gold Ltd (ASX: SAU) and was previously Managing Director of Asiatic Gold Ltd, an unlisted public company whose gold assets in Korea were subsequently acquired by Southern Gold.

3.3 Independence

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

3.4 Board recommendation

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

4. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

4.1 General

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

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

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

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$38,158,587 (based on the number of Shares on issue and the closing price of Shares on the ASX on 7 October 2021).

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

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

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

4.2 Technical information required by Listing Rule 7.1A

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

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

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

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

(b) **Minimum price**

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 4.2(b)(i), the date on which the Equity Securities are issued.

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for continued exploration and feasibility study expenditure at the Company's Mount Ridley project and it may also use funds for any possible acquisition of new resources and other assets or investments (including expenses associated with such an acquisition).

(d) **Risk of Economic and Voting Dilution**

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

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

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 7 October 2021.

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

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.004	\$0.007	\$0.01
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	5,516,638,425 Shares	551,663,842 Shares	\$2,206,655	\$3,861,646	\$6,068,302
50% increase	8,274,957,638 Shares	827,495,763 Shares	\$3,309,983	\$5,792,470	\$9,102,453
100% increase	11,033,276,850 Shares	1,103,327,685 Shares	\$4,413,310	\$7,723,293	\$12,136,604

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

The table above uses the following assumptions:

- There are currently 5,516,638,425 Shares on issue comprising:
 - 5,451,226,708 existing Shares as at the date of this Notice of Meeting; and
 - 65,411,717 Shares which will be issued if Resolutions 9 and 10 are passed at this Meeting.
- The issue price set out above is the closing market price of the Shares on the ASX on 7 October 2021 (being \$0.007).
- The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

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

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

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

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

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

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 30 November 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 29 November 2020, the Company issued 779,624,440 Shares pursuant to the Previous Approval, which represent approximately 18.29% of the total diluted number of Equity Securities on issue in the Company on 29 November 2020, which was 4,262,536,168.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

4.3 Voting Exclusion Statement

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

5. BACKGROUND TO RESOLUTIONS 5 TO 10

5.1 July Placement

On 1 July 2021, the Company announced that it had received commitments to raise up to \$981,138 (before costs) through the issue of 654,092,205 Shares at an issue price of \$0.0015 per Share (**July Placement**) to institutional, professional and sophisticated investors (**July Placement Participants**).

On 9 July 2021, the Company completed the July Placement pursuant to the Company's existing placement capacity under Listing Rule 7.1 (being the Shares the subject of Resolution 5).

The Company is also seeking Shareholder approval pursuant to Resolution 6 to issue the July Placement Participants one free attaching Option for every Share subscribed for and issued. The Options will be exercisable at \$0.003 each on or before 31 December 2025.

As announced on 1 July 2021, the funds raised from the July Placement will be primarily used to fund primarily REE exploration activities at the Company's Mount Ridley Project and specifically exploration licences E63/1547, E63/1564 and E63/1617.

The Company appointed RM Corporate Finance Pty Ltd (ACN 108 084 386) (AFSL 315235) (**RM Corporate**) as the lead manager to the July Placement. The Company and RM Corporate entered an agreement to set out the terms of RM Corporates' engagement (**July LM Mandate**). A summary of the material terms of the July LM Mandate is set out below.

(a) **Consideration**

In consideration for the provision of its services, the Company agreed to pay RM Corporate a fee of 6% of the total amount raised under the July Placement which, subject to Shareholder approval, is payable in Shares.

In addition, the Company agreed to reimburse RM Corporate for all out-of-pocket expenses incurred up to a limited of \$1,000 per month, with expenses over \$1,000 subject to the Company's prior written consent. If expenses are not paid within 45 days of invoice, an interest rate of 8% per annum will apply.

(c) **Termination**

The Company can terminate the July LM Mandate with cause, by giving RM Corporate 14 days' notice. All fees payable up until termination remain payable and must be paid by the Company within 14 days of termination.

The July LM Mandate otherwise contains terms and conditions considered standard for an agreement of this kind.

5.2 **September Placement**

On 24 September 2021, the Company announced that it had received commitments to raise up to \$1,744,412 (before costs) through the issue of 436,103,136 Shares at an issue price of \$0.004 per Share (**September Placement**) to institutional, professional and sophisticated investors (**September Placement Participants**).

On 4 October 2021, the Company completed the September Placement pursuant to the Company's existing placement capacity under Listing Rule 7.1 (being the Shares the subject of Resolution 7).

The Company is also seeking Shareholder approval pursuant to Resolution 8 to issue the September Placement Participants one free attaching Option for every

Share subscribed for and issued. The Options will be exercisable at \$0.005 each on or before 31 December 2025.

As announced on 24 September 2021, the funds raised from the September Placement will be primarily used to fund exploration activities, including target definition and subsequent drilling, at the Company's namesake Mount Ridley Project where Rare Earth Element (REE) mineralisation has been identified. The nature of the REE target was outlined in ASX releases on the 2 August 2021 and 9 September 2021 where significant REE grades were reported from the re-assay of historic drill holes across an extensive area with at least 25 kilometre's of apparent strike extent.

The Company appointed RM Corporate as the lead manager to the September Placement. The Company and RM Corporate entered an agreement to set out the terms of RM Corporates' engagement (**September LM Mandate**). A summary of the material terms of the September LM Mandate is set out below.

(a) **Consideration**

In consideration for the provision of its services, the Company agreed to pay RM Corporate a fee of 6% of the total amount raised under the September Placement which, subject to Shareholder approval, is payable in Shares.

In addition, the Company agreed to reimburse RM Corporate for all out-of-pocket expenses incurred up to a limited of \$1,000 per month, with expenses over \$1,000 subject to the Company's prior written consent. If expenses are not paid within 45 days of invoice, an interest rate of 8% per annum will apply.

(c) **Termination**

The Company can terminate the September LM Mandate with cause, by giving RM Corporate 14 days' notice. All fees payable up until termination remain payable and must be paid by the Company within 14 days of termination.

The September LM Mandate otherwise contains terms and conditions considered standard for an agreement of this kind.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF JULY PLACEMENT SHARES – LISTING RULE 7.1

6.1 General

As set out in Section 5.1 above, on 9 July 2021 the Company issued 654,092,205 Shares at an issue price of \$0.0015 to July Placement Participants as part of the July Placement (**July Placement Shares**).

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

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The issue of the July Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the July Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the July Placement Shares.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the July Placement Shares.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the July Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the July Placement Shares.

If Resolution 5 is not passed, the July Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the July Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

6.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) the July Placement Shares were issued to the July Placement Participants who are clients of RM Corporate. The July Placement Participants were identified through a bookbuild process, which involved RM Corporate seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the July Placement Participants were:

- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
- (ii) issued more than 1% of the issued capital of the Company;
- (c) 654,092,205 July Placement Shares were issued and the July Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the July Placement Shares were issued on 9 July 2021;
- (e) the issue price was \$0.0015 per July Placement Shares. The Company has not and will not receive any other consideration for the issue of the July Placement Shares;
- (f) the purpose of the issue of July Placement Shares was to raise capital, which the Company intends to use in the manner set out in Section 5.1 above;
- (g) the July Placement Shares were not issued under an agreement.

7. RESOLUTION 6 – APPROVAL TO ISSUE JULY PLACEMENT FREE-ATTACHING OPTIONS

7.1 General

As outlined in Section 5.1, the Company is seeking Shareholder approval to issue the July Placement Participants one free attaching Option for every July Placement Share issued to them on 9 July 2021 (**July Placement Options**).

As summarised in Section 6.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the July Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

7.2 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the July Placement Options. In addition, the issue of the July Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the July Placement Options.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the July Placement Options.

7.3 Technical information required by Listing Rule 7.1

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

- (a) the July Placement Options will be issued to the July Placement Participants;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of July Placement Options to be issued is 654,092,205. The terms and conditions of the July Placement Options are set out in Schedule 2;
- (d) the July Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the July Placement Options will occur on the same date;
- (e) the July Placement Options will be issued at a nil issue price as the Options are free attaching with the July Placement Shares on a 1:1 basis. The Company will not receive any other consideration for the issue of the July Placement Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the July Placement Options was to raise capital, which the Company intends to use in the manner set out in Section 5.1 above;
- (g) the July Placement Options are not being issued under an agreement; and
- (h) the July Placement Options are not being issued under, or to fund, a reverse takeover.

8. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SEPTEMBER PLACEMENT SHARES – LISTING RULE 7.1A

8.1 General

As set out in Section 5.2 above, on 4 October 2021 the Company issued 436,103,136 Shares at an issue price of \$0.004 to September Placement Participants as part of the September Placement (**September Placement Shares**).

The September Placement Shares were issued pursuant to the Company's capacity under Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 30 November 2020.

8.2 Listing Rules 7.1 and 7.1A

As summarised in Section 6.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The issue of the September Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the September Placement Shares.

8.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the September Placement Shares.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the September Placement Shares.

8.4 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the September Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the September Placement Shares.

If Resolution 7 is not passed, the September Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the September Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

8.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the September Placement Shares were issued to the September Placement Participants who are clients of RM Corporate. The September Placement Participants were identified through a bookbuild process, which involved RM Corporate seeking expressions of interest to

participate in the capital raising from non-related parties of the Company;

- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the September Placement Participants were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 436,103,136 September Placement Shares were issued and the September Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the September Placement Shares were issued on 4 October 2021;
- (e) the issue price was \$0.004 per September Placement Shares. The Company has not and will not receive any other consideration for the issue of the September Placement Shares;
- (f) the purpose of the issue of the September Placement Shares was to raise capital, which the Company intends to use in the manner set out in Section 5.2 above;
- (g) the September Placement Shares were not issued under an agreement.

9. RESOLUTION 8 – APPROVAL TO ISSUE SEPTEMBER PLACEMENT FREE-ATTACHING OPTIONS

As outlined in Section 5.2, the Company is seeking Shareholder approval to issue the September Placement Participants one free attaching Option for every September Placement Share issued to them on 4 October 2021 (**September Placement Options**).

As summarised in Section 6.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the September Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

9.1 Technical information required by Listing Rule 14.1A

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

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the September Placement Options.

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

9.2 Technical information required by Listing Rule 7.1

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

- (a) the September Placement Options will be issued to the September Placement Participants;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of September Placement Options to be issued is 436,103,136. The terms and conditions of the September Placement Options are set out in Schedule 2;
- (d) the September Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the September Placement Options will occur on the same date;
- (e) the September Placement Options will be issued at a nil issue price as the Options are free attaching with the September Placement Shares on a 1:1 basis. The Company will not receive any other consideration for the issue of the September Placement Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the September Placement Options was to raise capital, which the Company intends to use in the manner set out in Section 5.2 above;
- (g) the September Placement Options are not being issued under an agreement; and
- (h) the September Placement Options are not being issued under, or to fund, a reverse takeover.

10. RESOLUTIONS 9 AND 10 – ISSUE OF SHARES TO RM CORPORATE

10.1 General

As outlined in Sections 5.1 and 5.2 above, the Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 65,411,717 Shares to RM Corporate (or their nominee) comprising:

- (a) 39,245,532 pursuant to the July LM Mandate (the subject of Resolution 9); and

- (b) 26,166,185 pursuant to the September LM Mandate (the subject of Resolution 10),

on the terms and conditions set out below (**Lead Manager Shares**).

Resolutions 9 and 10 seeks Shareholder approval for the issue of the Lead Manager Shares to RM Corporate (or their nominee).

10.2 Chapter 2E of the Corporations Act

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

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Lead Manager Shares to RM Corporate (or their nominee) constitutes giving a financial benefit and RM Corporate is a related party of the Company by virtue of being an entity controlled by Guy Le Page, a Director.

The Directors (other than Guy Le Page who has a material personal interest in Resolutions 9 and 10) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Lead Manager Shares because the agreement to issue the Lead Manager Shares was negotiated on arm's length terms.

10.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

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

Resolutions 9 and 10 seeks the required Shareholder approval for the issue of the Lead Manager Shares under and for the purposes of Listing Rule 10.11.

10.4 Technical information required by Listing Rule 14.1A

If Resolutions 9 and 10 are passed, the Company will be able to proceed with the issue of the Lead Manager Shares to RM Corporate within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Lead Manager Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 9 and 10 are not passed, the Company will not be able to proceed with the issue of the Lead Manager Shares and the Company may be required to pay an amount in cash or may be in breach of the July LM Mandate and the September LM Mandate (**LM Mandates**).

10.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 9 and 10:

- (a) the Lead Manager Shares will be issued to RM Corporate (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as RM Corporate is a related party of the Company by virtue of being an entity controlled by Guy Le Page, a Director;
- (b) the maximum number of Lead Manager Shares to be issued is 65,411,717, comprising:
 - (i) 39,245,532 pursuant to the July LM Mandate; and
 - (ii) 26,166,185 pursuant to the September LM Mandate;
- (c) the Lead Manager Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Lead Manager Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Shares will occur on the same date;
- (e) the issue price of the Lead Manager Shares will be nil in consideration for services provided by RM Corporate pursuant to the LM Mandates. The Company will not receive any other consideration in respect of the issue of the Lead Manager Shares;
- (f) the purpose of the issue of the Lead Manager Shares is to satisfy the Company's obligations under the LM Mandates;
- (g) the Lead Manager Shares to be issued are not intended to remunerate or incentivise Guy Le Page in his capacity as a Director; and

- (h) the Lead Manager Shares are being issued under the LM Mandates entered into between the Company and RM Corporate, the material terms of which are summarised at Sections 5.1 and 5.2.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 4.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Mount Ridley Mines Limited (ACN 092 304 964).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

July LM Mandate has the meaning set out in Section 5.1.

July Placement has the meaning set out in Section 5.1.

July Placement Options has the meaning set out in Section 7.1.

July Placement Participants has the meaning set out in Section 5.1.

July Placement Shares has the meaning set out in Section 6.1.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Lead Manager Shares has the meaning set out in Section 10.1.

Listing Rules means the Listing Rules of ASX.

LM Mandates has the meaning set out in Section 10.4.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

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

RM Corporate means RM Corporate Finance Pty Ltd (ACN 108 084 386) (AFSL 315235).

Section means a section of the Explanatory Statement.

September LM Mandate has the meaning set out in Section 5.2.

September Placement has the meaning set out in Section 5.2.

September Placement Options has the meaning set out in Section 9.1.

September Placement Participants has the meaning set out in Section 5.2.

September Placement Shares has the meaning set out in Section 8.1.

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

Shareholder means a registered holder of a Share.

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

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

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES UNDER LISTING RULE 7.1A SINCE 30 NOVEMBER 2020

Date	Recipients	Number and Class of Equity Securities Issued	Issue price and discount to Market Price (if applicable) ¹	Total Cash Consideration and Use of Funds
Issue: 1 April 2021 Appendix 2A: 1 April 2021	Professional and sophisticated investors as part of a placement announced on 29 March 2021. The placement participants were identified through a bookbuild process, which involved RM Corporate seeking expressions of interest to participate in the placement from non-related parties of the Company.	343,521,304 Shares ²	\$0.0025 per Share (at a discount 28.57% to Market Price)	<p>Amount raised: \$858,603</p> <p>Amount spent: \$858,603</p> <p>Use of funds: to fund exploration activities at the Weld Range West Iron Project including the drill program scheduled to commence mid-April 2021</p> <p>Amount remaining: \$nil</p> <p>Proposed use of remaining funds:³ n/a</p>
Issue: 4 October 2021 Appendix 2A: 4 October 2021	Professional and sophisticated investors as part of a placement announced on 24 September 2021. The placement participants were identified through a bookbuild process, which involved RM Corporate seeking expressions of interest to participate in the placement from non-related parties of the Company.	436,103,136 Shares ²	\$0.004 per Share (at a discount 42.86% to Market Price)	<p>Amount raised: \$1,744,412</p> <p>Amount spent: \$nil (recent raising and program not commenced)</p> <p>Use of funds: to fund exploration activities, including target definition and subsequent drilling, at the Company's namesake Mount Ridley Project where Rare Earth Element (REE) mineralisation has been identified</p> <p>Amount remaining: \$1,744,412</p> <p>Proposed use of remaining funds:³ to fund exploration activities, including target definition and subsequent drilling, at the Company's namesake Mount Ridley Project where Rare Earth Element (REE) mineralisation has been identified</p>

Notes:

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

SCHEDULE 2 – SUMMARY OF JULY PLACEMENT OPTIONS AND SEPTEMBER PLACEMENT OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option is:

- (i) \$0.003 for the July Placement Options; and
- (ii) \$0.005 for the September Placement Options,
(**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

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

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

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

(l) **Transferability**

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



LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

2021 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Mount Ridley Mines Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting

OR



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **RM Corporate, Level 1, 1205 Hay Street, WEST PERTH WA 6005 on 29 November 2021 at 11:00 am (WST)** and at any adjournment or postponement of that Meeting.

Chair's voting intentions in relation to undirected proxies: The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though this resolution is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – Graeme Johnston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Simon Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue of July Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to issue July Placement Free-Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of prior issue of September Placement Shares –Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to issue September Placement Free-Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to issue Lead Manager Shares to RM Corporate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval to issue Lead Manager Shares to RM Corporate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐

Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, 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 have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11:00 am (WST) on 27 November 2021, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033