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**BBX MINERALS LTD**  
**ACN 089 211 634**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10:00 AM (WST)  
**DATE:** Tuesday, 30 November 2021  
**PLACE:** Brookfield Place  
Level 11  
125 St George Terrace  
PERTH WA 6000

***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 10:00 AM on Sunday, 28 November 2021.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

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

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

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

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

#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MICHAEL SCHMULIAN

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, Listing Rule 14.5 and for all other purposes, Mr Michael Schmulian, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

#### 4. RESOLUTION 3 – ELECTION OF DIRECTOR – DR MARC STEFFENS

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, Dr Marc Steffens, a Director who was appointed casually on 19 October 2021, retires, and being eligible, is elected as a Director.”*

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

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

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

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**6. RESOLUTION 5 - ADOPTION OF SECURITIES INCENTIVE PLAN**

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 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Securities Incentive Plan and for the issue of a maximum of 22,000,000 securities under that Plan, on the terms and conditions set out in the Explanatory Statement."*

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

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**7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF 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, Shareholders ratify the issue of 2,725,000 Shares to LDA Capital Limited on the terms and conditions set out in the Explanatory Statement."*

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

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**8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF 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, Shareholders ratify the issue of 4,000,000 Shares to LDA Capital Limited on the terms and conditions set out in the Explanatory Statement."*

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

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**9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS**

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 6,900,000 Performance Rights on the terms and conditions set out in the Explanatory Statement."*

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

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**10. RESOLUTION 9 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – DR MARC STEFFENS**

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

*"That, subject to the passing of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,000,000 Performance Rights to Dr Marc Steffens (or their nominee) under*

*the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”*

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

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**11. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR – DR MARC STEFFENS**

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

*“That, subject to the passing of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,500,000 Options to Dr Marc Steffens (or their nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”*

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

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**Dated: 29 October 2021**

**By order of the Board**

**Ramon Soares**  
**Chief Financial Officer and Company Secretary**  
**BBX Minerals Ltd**

## Voting Prohibition Statements

<p><b>Resolution 1 – Adoption of Remuneration Report</b></p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(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.</li> </ul> </li> </ul>
<p><b>Resolution 5 – Adoption of Incentive Securities Plan</b></p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 9 – Issue of Incentive Performance Rights to Director</b></p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 10 – Issue of Incentive Options to Director</b></p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(iii) a member of the Key Management Personnel; or</li> <li>(iv) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>

## Voting Exclusion Statements

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

<b>Resolution 5 – Adoption of Incentive Securities Plan</b>	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
<b>Resolutions 6 and 7– Ratifications of prior issue of Shares</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely LDA Capital LLC) or an associate of that person or those persons.
<b>Resolution 8 – Ratification of prior issue of Performance Rights</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely certain members of the Brazilian exploration and process development team) or an associate of that person or those persons
<b>Resolution 9 – Issue of Incentive Performance Rights to Director</b>	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Dr Marc Steffens) or an associate of that person or those persons.
<b>Resolution 10 – Issue of Incentive Options to Director</b>	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Dr Marc Steffens) or an associate of that person or those persons.

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

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

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## IMPORTANT INFORMATION

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### Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) 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.

If you sign the enclosed Proxy Form and no direction is given, the Chair will be appointed as your proxy. The Chair intends to vote undirected proxies on, and in favour of, all resolutions.

### Voting in person

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

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company's share registry will need to verify your identity.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6383 7820.***

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## EXPLANATORY STATEMENT

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

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 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.bbxminerals.com](http://www.bbxminerals.com).

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

#### 2.1 General

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

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

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

#### 2.2 Voting consequences

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

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

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

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



### **2.3 Previous voting results**

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.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MICHAEL SCHMULIAN**

### **3.1 General**

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

As a result of Mr Dix's resignation from the BBX Board on 20 October 2021, Mr Michael Schmulian, who has served as a Director since 12 April 2011 and was last re-elected on 27 November 2020, retires by rotation and seeks re-election.

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

Mr Schmulian is a geologist with over 40 years of mining and exploration experience. His experience includes 24 years in Brazil where he established a strong network in the industry. He is a former Brazil Country Manager for Western Mining Corporation, South America brownfields Exploration Manager for Anglo Gold Ashanti and former Executive Director of Mundo Minerals Limited, responsible for establishing the Company's Engenho gold mine.

### **3.3 Independence**

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

The Company notes that tenure of more than 10 years is a factor that the ASX recognises can impact upon Director independence.

Mr Schmulian has been a Company Director for 10 years however, the Company is of the opinion his tenure as a Director does not compromise his ability to bring independent judgement to Board decisions. Mr Schmulian has significant experience and continues to bring independent contribution to Board processes.

### **3.4 Board recommendation**

The Board has reviewed Mr Schmulian's performance since his appointment to the Board and considers that Mr Schmulian'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 Schmulian and recommends that Shareholders vote in favour of Resolution 2.

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## **4. RESOLUTION 3 – ELECTION OF DIRECTOR – DR MARC STEFFENS**

### **4.1 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.

Dr Marc Steffens, having been appointed by other Directors on 19 October 2021 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

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

Dr Steffens is a Metallurgist with qualifications from the WA School of Mines (Curtin University) and strong metallurgical R&D, process development and study management experience covering both Australian and International projects.

The Company views having such experience on its Board as prudent to effectively transition its projects to ensuing phases of development and thereby add value to the Company.

Dr Steffens was previously an executive director of Ionic Rare Earths Ltd.

#### **4.3 Independence**

Dr Steffens 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 that Dr Steffens will be an independent Director.

#### **4.4 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 Dr Steffens.

Dr Steffens 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.

#### **4.5 Board recommendation**

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

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

### **5.1 General**

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

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

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

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$87,024,080 (based on the number of Shares on issue and the closing price of Shares on the ASX on 15 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.

### **5.2 Technical information required by Listing Rule 7.1A**

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

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

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

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

#### **(b) Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume

weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

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

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for metallurgical test work, pilot plant testing, samples processing and analysis, working capital, as well as studies, further drill programs and administration costs associated with the development of the Ema and Tres Estados projects.

Furthermore, the Company will consider new potential exploration opportunities, including the acquisition of new resources, assets and investments, as well as continued exploration and associated costs.

(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 15 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.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.095	\$0.190	\$0.285
			50% decrease	Issue Price	50% increase
		Funds Raised			
<b>Current</b>	458,021,475	45,802,147	\$4,351,203	\$8,702,407	\$13,053,611
<b>50% increase</b>	687,032,213	68,703,221	\$6,526,805	\$13,053,611	\$19,580,417
<b>100% increase</b>	916,042,950	91,604,295	\$8,702,408	\$17,404,816	\$26,107,224

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip

issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

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

1. There are currently 458,021,475 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing market price of the Shares on the ASX on 15 October 2021 being \$0.19.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

**(e) 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 27 November 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 27 November 2020, the Company has not issued any Equity Securities pursuant to the Previous Approval.

### **5.3 Voting Exclusion Statement**

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

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## **6. RESOLUTION 5 – ADOPTION OF SECURITIES INCENTIVE PLAN**

### **6.1 General**

Resolution 5 seeks Shareholder approval for the adoption of the employee incentive scheme titled "Securities Incentive Plan" (**Securities Plan**) and for the

issue of securities under the Securities Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Securities Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Securities Plan and the future issue of securities under the Securities Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

## **6.2 Listing Rules 7.1 and Listing Rule 7.2 Exception 13(b)**

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 5 is passed, the Company will be able to issue securities under the Securities Plan to eligible participants over a period of 3 years from the date of the Meeting. The issue of any securities to eligible participants under the Securities Plan (up to the maximum number of securities stated in Section 6.3(c) below) 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.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Securities Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 5 is not passed, the Company will be able to proceed with the issue of securities under the Securities Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the securities.

## **6.3 Technical information required by Listing Rule 7.2 (Exception 13)**

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 5:

- (a) a summary of the key terms and conditions of the Securities Plan is set out in Schedule 1;
- (b) the Company has not issued any securities under the Securities Plan as this is the first time that Shareholder approval is being sought for the adoption of the Securities Plan; and

- (c) the maximum number of securities proposed to be issued under the Securities Plan, following Shareholder approval, is 22,000,000 securities, which includes the Performance Rights and Options proposed to be issued to Dr Marc Steffens under Resolutions 9 and 10. It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.

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## **7. RESOLUTIONS 6 AND 7 – RATIFICATION OF PRIOR ISSUE OF SHARES**

### **7.1 General**

As announced on 16 June 2020, the Company has entered into a Standby Equity Funding Facility with LDA Capital Limited (**LDA**) (**Standby Equity Funding Facility**).

The Company has made two issues of Shares to LDA that require Shareholder ratification at this Meeting, comprising:

- (a) On 22 January 2021, the Company issued LDA 4,000,000 Shares following the issue of a capital call notice to LDA. Following the pricing period, LDA paid the Company \$0.2589 per Share for each of the 2,225,000 Shares utilised with respect to the capital call; and
- (b) On 7 May 2021, the Company issued LDA a further 2,725,000 Shares following the issue of a capital call notice from LDA. Following the pricing period, LDA paid the Company \$0.2660 per Share for each of the 605,000 Shares utilised with respect to the capital call.

(together, the **Standby Equity Shares**).

Following the capital calls, a total of 3,895,000 Shares are held by LDA and may be used for future capital calls at the Company's discretion.

### **7.2 Listing Rules 7.1 and 7.1A**

As summarised in Section 6.2, 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 its previous annual general meeting held on 27 November 2020.

The issue of the Standby Equity 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 Standby Equity Shares.

### **7.3 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 Standby Equity Shares.

Resolutions 6 and 7 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Standby Equity Shares.

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

If both Resolutions 6 and 7 are passed, the Standby Equity Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Standby Equity Shares.

If any or both of Resolutions 6 and 7 are not passed, the relevant Standby Equity Shares will continue to be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Standby Equity 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.

#### **7.5 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 Resolutions 6 and 7:

- (a) the Standby Equity Shares were issued to LDA Capital Limited, under the terms and conditions of the Standby Equity Funding Facility;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that LDA was not:
  - (i) a related party of the Company, a member of the Company's Key Management Personnel, a substantial holder 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) a total of 6,725,000 Standby Equity Shares have been issued to LDA and the Standby Equity 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 Standby Equity Shares were issued on 25 January 2021 (Resolution 6) and 7 May 2021 (Resolution 7);
- (e) The issue price of the 6,725,000 Standby Equity Shares was nil cash consideration. Following the pricing period, the Company has received \$736,984 for 2,830,000 Shares utilised of the 6,725,000 Standby Equity Shares.



- (f) the purpose of the issue of the Standby Equity Shares was to raise sufficient funds (facility is limited to \$8 million), which was applied towards metallurgical test work and working capital.
- (g) the Standby Equity Shares were issued to LDA Capital Limited under the Standby Equity Funding Facility. A summary of the material terms of the Standby Equity Funding Facility is set out in Schedule 2.

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## **8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS**

### **8.1 General**

On 18 May 2021, the Company issued 6,900,000 Performance Rights for nil cash consideration in lieu of cash bonuses to certain members of the Company's Brazilian exploration and process development team (**Performance Rights**).

A summary of Listing Rules 7.1 and 7.1A is set out in Section 7.2 above, and a summary of Listing Rule 7.4 is set out in Section 7.3 above.

The issue of the Performance Rights 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 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 Performance Rights.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Performance Rights.

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

If Resolution 8 is passed, the Performance Rights will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Performance Rights.

If Resolution 8 is not passed, the Performance Rights will continue to be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Performance Rights.

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.

### **8.3 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 8:

- (a) The Performance Rights were issued to certain members of the Company's Brazilian exploration and process development team;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients 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) 6,900,000 Performance Rights were issued, and the Performance Rights were issued on the terms and conditions set out in Schedule 3;
- (d) the Performance Rights were issued on 18 May 2021;
- (e) the Performance Rights were issues for nil cash consideration in lieu of cash bonuses;
- (f) the purpose of the issue of the Performance Rights was to acknowledge contributions made by, and to additionally incentivise the Company's Brazilian exploration and process development team; and
- (g) the Performance Rights were not issued under any agreement.

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## **9. RESOLUTION 9 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – DR MARC STEFFENS**

### **9.1 General**

The Company has agreed, subject to obtaining Shareholder approval, and to the adoption of the Securities Plan (refer Resolution 5), to issue 1,000,000 Performance Rights to Dr Marc Steffens (or their nominee), subject to the passing of Resolution 3, pursuant to the Securities Plan and on the terms and conditions set out below (**Incentive Performance Rights**).

### **9.2 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that 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 the Incentive Performance Rights to Dr Steffens (or their nominee) constitutes giving a financial benefit and Dr Steffens is a related party of the Company by virtue of being a Director.

The Directors (other than Dr Steffens) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to Dr Steffens.

### **9.3 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Incentive Performance Rights to Dr Steffens falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 9 seeks the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.14.

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

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to Dr Steffens under the Securities Plan within three years 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 Incentive Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to Dr Steffens under the Securities Plan.

#### **9.5 Technical information required by Listing Rule 10.15**

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 9:

- (a) the Incentive Performance Rights will be issued to Dr Steffens (or their nominee), subject to the passing of Resolution 3, who falls within the category set out in Listing Rule 10.14.1, by virtue of Dr Steffens being a Director;
- (b) the maximum number of Incentive Performance Rights to be issued to Dr Steffens (or their nominee) is 1,000,000;
- (c) the current total remuneration package for Dr Steffens is \$48,000 per annum, comprising of \$4,000 per month in directors' fees. In addition, the Company intends to issue 4,500,000 Options with an exercise price of \$0.30, expiring on 31 December 2024, pursuant to Resolution 10. If the Incentive Performance Rights are issued, the total remuneration package of Dr Steffens will increase by \$190,000, being the value of the Incentive Performance Rights (based on the Black Scholes methodology);
- (d) as this is the first time that the Shareholder approval is being sought for the adoption of the Securities Plan, no Performance Rights have been previously issued under the Securities Plan;
- (e) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 4;

- (f) the Incentive Performance Rights are unquoted performance rights. The Company has chosen to grant the Incentive Performance Rights to Dr Steffens for the following reasons:
- (i) the Incentive Performance Rights are unlisted, therefore the grant of the Incentive Performance Rights has no immediate dilutionary impact on Shareholders;
  - (ii) the issue of Incentive Performance Rights to Dr Steffens will align the interests of Dr Steffens with those of Shareholders;
  - (iii) the issue of the Incentive Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Dr Steffens;
  - (iv) Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights will apply (subject to the conditions in that Act) to the Incentive Performance Rights; and
  - (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Performance Rights on the terms proposed;
- (g) the Company values the Incentive Performance Rights at \$190,000 (being \$0.19 per Incentive Performance Rights) based on the Black-Scholes methodology. The basis for the value attributions to the Incentive Performance Rights is set out in Schedule 6;
- (h) the Incentive Performance Rights will be issued to Dr Steffens (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Performance Rights will be issued on one date;
- (i) the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights;
- (j) a summary of the material terms and conditions of the Securities Plan is set out in Schedule 1;
- (k) no loan is being made to Dr Steffens in connection with the acquisition of the Incentive Performance Rights;
- (l) details of any Performance Rights issued under the Securities Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Securities Plan after Resolution 9 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

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## **10. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR – DR MARC STEFFENS**

### **10.1 General**

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Securities Plan (refer Resolution 5), to issue 4,500,000 Options to Dr Marc Steffens (or their nominee), subject to the passing of Resolution 3, pursuant to the Securities Plan and on the terms and conditions set out below (**Incentive Options**).

### **10.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out in Section 9.2 above.

The issue of the Incentive Options to Dr Steffens (or their nominee) constitutes giving a financial benefit and Dr Steffens is a related party of the Company by virtue of being a Director.

The Directors (other than Dr Steffens) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options, because the agreement to issue the Incentive Options, reached as part of the remuneration package for Dr Steffens is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **10.3 Listing Rule 10.14**

A summary of Listing Rule 10.14 is set out in Section 9.3 above.

The issue of Incentive Options to Dr Steffens falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 10 seeks the required Shareholder approval for the issue of the Incentive Options under and for the purposes of Listing Rule 10.14.

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

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Incentive Options to Dr Steffens under the Securities Plan within three years 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 Incentive Options (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Dr Steffens under the Securities Plan and will have to consider other forms of performance-based remuneration.

### **10.5 Technical information required by Listing Rule 10.15**

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 10:

- (a) the Incentive Options will be issued to Dr Steffens (or their nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of Dr Steffens being a Director;

- (b) the maximum number of Incentive Options to be issued is 4,500,000;
- (c) the current total remuneration package for Dr Steffens is \$48,000 per annum, comprising of \$4,000 per month in directors' fees. In addition, the Company intends to issue 1,000,000 Performance Rights valued at \$0.19 per Performance Right, pursuant to Resolution 9. If the Incentive Options are issued, the total remuneration package of Dr Steffens will increase by \$495,000, being the value of the Incentive Options (based on the Black Scholes methodology);
- (d) as this is the first time that the Shareholder approval is being sought for the adoption of the Securities Plan, no Options have been previously issued under the Securities Plan;
- (e) a summary of the material terms and conditions of the Incentive Options is set out in Schedule 5.
- (f) the Incentive Options are unquoted Options. The Company has chosen to issue Incentive Options to Dr Steffens for the following reasons:
  - (i) the Incentive Options are unquoted, therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
  - (ii) the issue of Incentive Options to Dr Steffens will align the interests of Dr Steffens with those of Shareholders;
  - (iii) the issue of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Dr Steffens;
  - (iv) because of the deferred taxation benefit which is available to Dr Steffens in respect of an issue of Options. This is also beneficial to the Company as it means Dr Steffens is not required to immediately sell the Incentive Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
  - (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed;
- (g) the Company values the Incentive Options at \$495,000 (being \$0.11 per Incentive Option) based on the Black-Scholes methodology. The basis for the value attributions to the Incentive Options is set out in Schedule 7;
- (h) the Incentive Options will be issued to Dr Steffens (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
- (i) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options);

- (j) a summary of the material terms and conditions of the Securities Plan is set out in Schedule 1;
- (k) no loan is being made to Dr Steffens in connection with the acquisition of the Incentive Options;
- (l) details of any Options issued under the Securities Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Securities Plan after Resolution 10 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

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## GLOSSARY

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**\$** means Australian dollars.

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

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

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

**Associated Body Corporate** means

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

**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.

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

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

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

**Company** means BBX Minerals Ltd (ACN 089 211 634).

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

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

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

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

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



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

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

**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.

**Performance Right** means a Performance Right issued by the Company that converts to one Share upon vesting of various performance conditions.

**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.

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

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

**Securities Plan** means the incentive securities plan the subject of Resolution 5, as mentioned in Resolutions 9 and 10 and as summarised in Schedule 1.

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

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

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

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## **SCHEDULE 1 – TERMS AND CONDITIONS OF THE COMPANY'S SECURITIES INCENTIVE PLAN**

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A summary of the terms of the Company's Securities Incentive Plan (**Plan**) is set out below.

1. **Awards**

Award means an Option, a Performance Right, a Share Award and/or a Loan Funded Share, as the case may be.

2. **Eligible Participant**

Eligible Participant means

- (a) any Director or a person who is a full-time or part-time employee of the Company or its Related Bodies Corporate who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Awards under the Plan; or
- (b) any other person providing services to the Group and who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Awards under the Plan.

3. **Plan administration**

The Plan will be administered by the Board in accordance with the Plan rules.

4. **Purpose**

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with Shareholders by providing an opportunity to Eligible Participants to earn rewards via an equity interest in the Company based on creating Shareholder value.

5. **Eligibility, invitation and application**

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination) of the different types of Awards on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Awards the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

6. **Terms of Awards**

The terms and conditions of Awards offered or granted under these Rules to each Eligible Participant will be determined by the Board in its sole and absolute discretion.

7. **Grant of Awards**

The Company will, to the extent that it has accepted a duly completed application, grant the Eligible Participant the relevant number of Awards, subject to the terms and conditions set out in the Invitation, the Plan rules and any ancillary documentation required.

8. **Terms of Options and Performance Rights**

Each Option and/or Performance Right (**Convertible Security**) represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

9. **Vesting of a Convertible Security**

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

10. **Exercise of Convertible Securities and cashless exercise**

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Options (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.

The Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the exercise price of Options, but that on exercise of the Options the Company will only allot and issue or transfer that number of Plan Shares to the Participant that are equal in value to the difference between the exercise price otherwise payable in relation to the Options and the then Market Value of the Plan Shares as at the time of the exercise (with the number of Plan Shares rounded down).

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue

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

Market Value means:

- (a) in relation to Options and Performance Rights, a value determined by application of a valuation methodology approved by the Board; and
- (b) in relation to Share Awards, Loan Funded Shares and Plan Shares, the 'volume weighted average market price' (as that term is defined in the Listing Rules) per Share during the previous five trading days.

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

Options must be exercised in multiples of 100 unless fewer than 100 Options are held by a Participant or the Board otherwise agrees.

#### 11. **Delivery of Shares on exercise of Convertible Securities**

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

#### 12. **Forfeiture**

The Board may determine, and set out in the Invitation, Forfeiture Conditions which apply to the Awards. Where such Forfeiture Conditions are met, unless the Board in its sole discretion determines otherwise, all unvested and vested Convertible Securities will automatically lapse and all unvested and vested Share Award or Loan Fund Shares will automatically be surrendered.

In addition, where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breaches his or her duties to the Group, the Board may in its discretion deem all Awards to be forfeited.

#### 13. **Change of control**

If a change of control event occurs in relation to the Company, and unless the Board determines otherwise in its sole and absolute discretion, Awards granted will vest where vesting conditions and performance hurdles have been satisfied on a pro rata basis based on the period which has elapsed from the grant date to the change of control date. As determined by the Board, any Convertible Securities which do not vest in this way will automatically lapse and any Share Awards or Loan Funded Shares will automatically be surrendered.

#### 14. **Adjustment for capital reconstructions**

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the number of Awards each Participant holds and the exercise price of Options will be adjusted in accordance with the Listing Rules.

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

15. **Participation rights in new issues**

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. **Share Awards**

The Board may from time to time make an invitation to an Eligible Participant to acquire Share Awards under the Plan. The Board will determine in its sole and absolute discretion the acquisition price (if any) for each Share Award which may be nil. The Share Awards may be subject to performance hurdles and/or vesting conditions as determined by the Board.

Where Share Awards granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Share Awards will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules.

Following the issue of a vesting notification to the Participant, the Share Awards held by the Participant will no longer be subject to any restrictions and may be transferred or sold by the Participant, subject to compliance with applicable laws, the Company's Securities Trading Policy and the terms of the Plan.

17. **Loan Funded Shares**

The Board may from time to time make an invitation to an Eligible Participant to acquire Loan Funded Shares under the Plan. The Board will determine in its sole and absolute discretion the acquisition price (if any) for each Loan Funded Shares which may be nil. The Loan Funded Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board.

Where Loan Funded Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Loan Funded Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules.

Following the issue of a vesting notification to the Participant, the Loan Funded Shares held by the Participant will no longer be subject to any restrictions and may be transferred or sold by the Participant, subject to compliance with applicable laws, the Company's Securities Trading Policy and the terms of the Plan.

When the Company makes an Invitation to an Eligible Participant to acquire Loan Funded Shares, the Company will also offer the Eligible Participant a Loan on terms and conditions to be determined by the Board, for the amount of the acquisition price of the Loan Funded Shares, for the purposes of acquiring all or part of the Loan Funded Shares the subject of the invitation.

The loan amount may accrue interest as determined by the Board.

A Participant may repay all or part of a Loan at any time before the expiration of the Loan term, and at the expiration of the Loan term the Participant must immediately repay all of the Loan.

18. **Rights Attaching to Share Awards, Loan Funded Shares and Plan Shares**

Any Share Awards, Loan Funded Shares and/or Plan Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares on and from the date of allotment, issue or transfer, including in respect of all rights and bonus issues.

A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on any Share Awards, Loan Funded Shares and/or Plan Shares which, at the record date for determining entitlement to those dividends, are standing to the account of the Participant.

The Participant may also participate in any dividend reinvestment plan operated by the Company in respect of Share Awards, Loan Funded Shares (provided the Loan has been fully repaid) and/or Plan Shares held by the Participant.

19. **Disposal restrictions**

If the invitation provides that any Share Awards, Loan Funded Shares and/or Plan Shares held by any Participants are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as Share Awards, Loan Funded Shares and/or Plan Shares held by any Participants are subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that security; or
- (b) take any action if to do so would contravene applicable laws.

At all times, the Participant must comply with the Company's Share Trading Policy.

20. **Buy-back**

Subject to applicable law, the Company may at any time buy-back Awards in accordance with the terms of the Plan.

21. **Compliance with applicable law**

No act will be done or determination made in accordance with the Plan rules where to do so would be a breach of any applicable laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of Awards.

22. **Amendment of Plan**

Subject to the following paragraph, the Listing Rules and the Company's constitution, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Awards that have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

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

23. **Plan duration**

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

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

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**SCHEDULE 2 – KEY TERMS AND CONDITIONS OF STANDBY EQUITY FUNDING FACILITY**

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- (a) Term 36 months.
- (b) Put option of up to \$8 million at Company's election.
- (c) The put option is priced at 90% of the 15-day VWAP of the Company's shares following the exercise by the Company with a minimum price set by the Company.
- (d) The number of shares subject to a put option for a period is a maximum of 10 times the average daily number of the Company's shares traded on the ASX during a 15-day period before its exercise.
- (e) 14.5 million unlisted options issued by the Company to LDA with a 3-year term exercisable at \$0.15. The options will be issued under the Company's existing 7.1 placement capacity.
- (f) A commitment fee of 2% (\$160,000) is payable by applying 20% of each put option towards its payment with at least \$80,000 within 6 months with any balance due payable after 12 months.

LDA Capital Limited can hold a maximum of 9.95% of the Company's Shares.



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## SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

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The terms of the Performance Rights are as follows:

1. **Entitlement**

The Performance Rights entitle the holder (**Holder**) to subscribe for one Share upon the conversion of each Performance Right (once vested).

2. **Consideration**

The Performance Rights will be granted for nil cash consideration.

3. **Conversion price**

The conversion price of each Performance Right is nil.

4. **Vesting Conditions**

The Performance Rights are subject to the achievement of the following milestones (**Milestone Conditions**) by their respective Expiry dates:

Milestone	Number	End Date
The Company conducting pilot plant testing on a representative sample or samples comprising a minimum of 100kg, from the Ema and/or Três Estados Project, recovering a minimum of 1g of Gold, representing 0.01g per kg tested, equivalent to a recovered grade of 10g/t, before the End Date. The pilot plant testing is to be carried out at an independent third-party laboratory. The results need to be certified by the independent laboratory. The pilot plant testing may include BBX's proprietary analytical and extraction method, which will be carried out independently by the third-party laboratory.	2,250,000	22 Oct 2021
The Company reporting a 1,000,000-ounce Gold Mineral Resource at a minimum grade of 1.6g/t Au (reported above 0.5g/t Au cut off) in accordance with the JORC Code, in respect of the Ema and/or Três Estados Project before the End Date.	1,950,000	22 Jan 2022
The Company commencing Gold production of >2k ozs/month in respect of the Ema and/or Três Estados Project before the End Date	2,700,000	22 Oct 2023

5. **Expiry Date**

Any Performance Rights that have not vested before their respective End Date will immediately lapse (**Expiry Date**). If this falls during a "Blackout Period" as defined in the Company's securities trading policy, the Expiry Date will be 5pm (WST) on the date 10 Business Days after the last day of that Blackout Period.

6. **Timing of issue of Shares and quotation of Shares on conversion**

Within 5 Business Days after the valid conversion of a Performance Right by the Holder, the Company will:

- (a) issue, allocate or cause to be transferred to the Consultant (or its nominee) the number of Shares to which the Holder is entitled;
- (b) issue a substitute Certificate for any remaining unconverted Performance Rights held by the Holder;
- (c) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

7. **Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of a Performance Right may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

8. **Leaver**

Where the Holder (or the person who is entitled to be registered as the holder) of the Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested Performance Rights will automatically lapse and be forfeited by the Holder, unless the Board otherwise determines in its discretion.

9. **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights. However, the Company will give the holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

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) no changes will be made to the Performance Rights.

11. **Adjustments for reorganisation**

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

12. **Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

13. **Performance Rights non-transferable**

The Performance Rights are non-transferable but may be transferrable in special circumstances as set out in the Plan.

14. **Dividend rights**

A Performance Right does not entitle the Holder to any dividends.

15. **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

16. **No other rights**

A Performance Right does not give a Holder any rights other than those expressly provided by these terms, the Plan and those provided at law where such rights at law cannot be excluded by these terms.

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## SCHEDULE 4 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS

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The following terms and conditions apply to all Performance Rights unless otherwise indicated:

1. **(Entitlement)** Each Performance Right entitles the holder to subscribe for one Share upon satisfaction of the Milestone (defined below) and issue of the Conversion Notice (defined below) by the Holder.
2. **(Notice of satisfaction of Milestone)** The Company shall give written notice to the Holder promptly following satisfaction of the Milestone (defined below) or lapse of a Performance Right where the Milestone is not satisfied.
3. **(No Voting Rights)** A Performance Right does not entitle the Holder to vote on any resolutions proposed by the Company, except as otherwise required by law.
4. **(No Dividend Rights)** A Performance Right does not entitle the Holder to any dividends.
5. **(No rights to return of capital)** A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
6. **(Rights on Winding Up)** Upon winding up of the Company, the Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
7. **(Transfer of Performance Right)** A Performance Right is not transferable.
8. **(Reorganisation of Capital)** In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules and Corporations Act at the time of reorganisation.
9. **(Application to the ASX)** The Performance Rights will not be quoted on the ASX. However, the Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time required by the ASX Listing Rules.
10. **(Participation in Entitlements and Bonus Issues)** Holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
11. **(Change in Control)** The Performance Rights will not convert into Shares in the event of a change in control of the Company.
12. **(No Other Rights)** A Performance Right gives the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

## Conversion of the Performance Rights

13. **(Milestone)** A Performance Right will be able to be converted into a Share by a Holder subject to the achievement of the following milestone:
  - (a) the Company releasing on the ASX the results of a scoping study on a BBX asset showing the potential to generate an internal rate of return (**IRR**) of >20% using consensus prices and Board approved assumptions, prior to 31 December 2025.
14. **(Takeovers Threshold)** A Performance Right will not convert into Shares to the extent that such conversion would result in the Holder (or some other person) breaching the prohibition set out in Sections 606 and 611 of the Corporations Act.
15. **(Issue of Shares)** The Company will issue the Share on conversion of a Performance Right within 10 business days following the conversion or such other period required by the ASX Listing Rules.
16. **(Ranking upon Conversion)** The Shares issued on conversion of the Performance Rights will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other shares issued upon conversion.
17. **(Holding Statement)** The Company will issue the Holder with a new holding statement for any Share issued upon conversion of a Performance Right within 10 business days following the issue of the Share.
18. **(Variation of terms and conditions)** The terms and conditions of a Performance Right will not be changed without the approval of the ASX and the Shareholders.

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## SCHEDULE 5 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

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The terms of the Incentive Options are as follows:

1. **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option (once vested).
2. **(Issue Price)**: No cash consideration is payable for the issue of the Options.
3. **(Exercise Price)**: The Options have an exercise price of \$0.30 per Option (Exercise Price).
4. **(Expiry Date)**: The Options expire at 5.00 pm (WST) on 31 December 2024 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. If this falls during a “Blackout Period” as defined in the Company's securities trading policy, the Expiry Date will be 5pm (WST) on the date 10 Business Days after the last day of that Blackout Period.
5. **(Exercise Period)**: The Options are exercisable at any time after it has vested and prior to the Expiry Date.
6. **(Vesting Conditions)**: The Incentive Options vest immediately.
7. **(Quotation of the Options)**: **The Company** will not apply for quotation of the Options on ASX.
8. **(Transferability of the Options)**: The Options are not transferable.
9. **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).

10. **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date the Company will:
  - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - (c) 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.
11. **(Restrictions on transfer of Shares)**: If the Company is required but unable to give ASX a notice under paragraph 10(b), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be

subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

12. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
13. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
14. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
16. **(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 an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue.
17. **(Cessation of employment):** Where the holder (or the person who is entitled to be registered as the holder) of the Options is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unexercised Options will automatically lapse and be forfeited on the date that is 3 months from the cessation of that engagement, unless the Board otherwise determines in its sole discretion.

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**SCHEDULE 6 – VALUATION OF INCENTIVE PERFORMANCE RIGHTS**

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The Incentive Performance Rights to be issued to Dr Steffens pursuant to Resolution 9 have been valued by internal management.

<b>Assumptions:</b>	
Valuation date	21 October 2021
Market price of Shares	\$0.19 cents
Expiry date (length of time from issue)	31 December 2025
Risk free interest rate	0.275%
Volatility (discount)	105%
<b>Indicative value per Incentive Performance Right</b>	\$0.19 cents
<b>Total Value of Incentive Performance Rights to be issued to Dr Steffens</b>	\$190,000



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**SCHEDULE 6 – VALUATION OF INCENTIVE OPTIONS**

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The Incentive Options to be issued to Dr Steffens pursuant to Resolution 10 have been valued by internal management.

<b>Assumptions:</b>	
Valuation date	21 October 2021
Market price of Shares	\$0.19 cents
Exercise price	\$0.30
Expiry date (length of time from issue)	31 December 2024
Risk free interest rate	0.275%
Volatility (discount)	105%
<b>Indicative value per Incentive Option</b>	\$0.11
<b>Total Value of Incentive Options to be issued to Dr Steffens</b>	\$495,000

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Sunday 28 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote i



## SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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



