

SECTION 249D NOTICE UPDATE

As announced on 25 October 2019, Celsius Resources Limited (the “Company”) has received a notice under section 249D of the Corporations Act 2001 (“249D Notice”) requesting the Company to call and arrange to hold a meeting of the members of the Company to consider resolutions to:

- appoint Mr John Westdorp, Ms Hui (Michelle) Palleson and Mr Carl Gerald Swensson as directors of the Company; and
- remove Messrs Bill Oliver and Brendan Borg as directors of the Company.

The Company notes that three of shareholders who signed the 249D Notice failed to give the necessary notice of intention to seek removal of directors under section 203D of the Corporations Act. Accordingly, the 249D Notice is invalid insofar as it relates to those shareholders and the resolutions to remove Messrs Oliver and Borg as directors of the Company.

The Company has, however, confirmed that shareholders holding the necessary number of shares in the Company have properly given notice under sections 203D and 249D of the Corporations Act. Accordingly, the Company will convene the requisitioned shareholder meeting in relation to all of the resolutions set out in the 249D Notice, despite the technical deficiency noted above.

Pursuant to section 249D of the Corporations Act:

- the Company’s directors must dispatch a notice of meeting including the requisitioned resolutions within 21 days after receipt of the 249D Notice; and
- the requisitioned meeting must be held not later than 2 months after the request is given.

As noted in the Company’s announcement of 25 October 2019, the Company was not in a position to include the requisitioned resolutions in its Notice of Annual General Meeting as printing and dispatch of the Notice of AGM had commenced by the time the 249D Notice was received.

The Company does not consider that it is feasible to postpone the AGM so that the requisitioned resolutions can be considered at the AGM. This would involve further cost to the Company, including:

- an ASIC lodgement fee of \$3,487 to apply for an extension of time to hold the AGM;
- legal fees in preparing the extension application and liaising with ASIC in relation to the application; and
- the costs of preparing, printing and dispatching a revised Notice of AGM incorporating the requisitioned resolutions.

There can be no certainty that an extension of time to hold the AGM will be granted in time for the Company to comply with its obligations under section 249D of the Corporations Act, or that such an extension will be granted at all. Accordingly, the Company believes that the most cost-effective way to respond to the 249D Notice is to call a separate general meeting to consider the requisitioned resolutions.

A notice of general meeting including details of the requisitioned meeting will be dispatched to shareholders in due course, within the time required under the Corporations Act.

The Company will keep shareholders updated on any material developments.

For further information please contact:

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