



ACN 060 156 452

Notice of Annual General Meeting and Explanatory Memorandum

The Annual General Meeting of the Company will be held at the offices of HopgoodGanim Lawyers, Level 27 Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday, 22 November 2023 at 11.00am (AWST).

Shareholders are strongly encouraged to vote by lodging the proxy form included with this Notice.

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by email at cossec@aicmines.com.au

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of **AIC Mines Limited (AIC or Company)** will be held at the offices of HopgoodGanim Lawyers, Level 27 Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday 22 November 2023 at 11.00am (AWST).

Terms used in this Notice of Meeting are defined in section 8 (Interpretation) of the accompanying Explanatory Memorandum.

Agenda

Ordinary Business

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company for the period ended 30 June 2023.

1. Remuneration Report

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Advisory Resolution of the Company:

"That the Remuneration Report for the period ended 30 June 2023 (as set out in the Annual Report) is adopted."

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting restriction pursuant to section 250R(4) of the Corporations Act

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel (**KMP**) details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the KMP details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- either:
 - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
 - the voter is the chair of the meeting and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the Resolution; and
 - expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company or, if the Company is part of a consolidated entity, for the entity.

Voting intention of the Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

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2. Election of Linda Hale as a Director

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

“That Linda Hale, a Director who was appointed on 1 February 2023, retires in accordance with Rule 19.2 of the Company’s Constitution and for the purposes of Listing Rule 14.4 and, being eligible, is elected as a Director of the Company.”

3. Re-Election of Brett Montgomery as a Director

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

“That Brett Montgomery, who retires by rotation in accordance with Rule 19.3 of the Company’s Constitution and for the purposes of Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

4. Renewal of Equity Participation Plan

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

“That, for the purposes of Listing Rule 7.2 Exception 13(b) and for all other purposes, the Company is authorised to grant Incentives, and issue Shares upon the exercise or vesting of the Incentives, under the terms of the Incentive Plan up to a maximum of 26,000,000 securities as detailed in the Explanatory Memorandum with such resolution and authority to take effect on the Company issuing the balance of Incentives authorised to be issued under the 2022 Capacity.”

Note: The number of securities stipulated above is a maximum only. It is not envisaged that 26,000,000 securities will be issued immediately or at all. The grant of the Incentives is discretionary and the Board may resolve not to grant Eligible Persons some or all of the Incentives for which they are eligible. Please refer to the information in the Explanatory Memorandum with respect to Resolution 4 for more information

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Incentive Plan or an associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

Voting Restriction pursuant to Section 250BD of the Corporations Act

As Resolution 4 is connected directly or indirectly with the remuneration of a member of Key Management Personnel (KMP) for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on this Resolution by:

- any member of the KMP of the Company (or, if the Company is part of a consolidated entity, of the entity); or
- a Closely Related Party of such KMP (or, if the Company is part of a consolidated entity, of the entity).

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who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 4.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 4, if the appointment of proxy expressly authorises the Chair to exercise the proxy even if this Resolution 4 is connected directly or indirectly with the remuneration of a member of the KMP for the Company or if the Company is part of a consolidated entity, of the entity.

Voting intention of the Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 4, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

5. Approval to issue Incentives to Aaron Colleran

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

"That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 2,496,885 Incentives to Aaron Colleran (or his nominees) under the Company's Incentive Plan on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Aaron Colleran (or his nominees), a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

Voting Restriction pursuant to Section 250BD of the Corporations Act

As Resolution 5 is connected directly or indirectly with the remuneration of a member of Key Management Personnel (KMP) for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on this Resolution by:

- any member of the KMP of the Company (or, if the Company is part of a consolidated entity, of the entity); or
- a Closely Related Party of such KMP (or, if the Company is part of a consolidated entity, of the entity),

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 5.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 5, if the appointment of proxy expressly authorises the Chair to exercise the proxy even if this Resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP for the Company or if the Company is part of a consolidated entity, of the entity.

Voting intention of the Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 5, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in

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which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

Special Business

6. Approval of 10% Placement Facility

To consider and, if thought fit, pass the following Resolution, with or without amendment, as a Special Resolution of the Company:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up 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 on the terms and conditions as set out in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person if at the time the approval is sought the Company is proposing to make an issue of Equity Securities under Rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity, or an associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

Other Business

To consider any other business that may be brought before the Meeting in accordance with the Company's Constitution.

Action to be taken by Shareholders

Explanatory Memorandum

Shareholders should read the Notice of Meeting including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Questions for the Auditor

Shareholders may submit written questions to the Company's Auditor, PricewaterhouseCoopers (**PwC**) if the question is relevant to the content of PwC's audit report for the period ended 30 June 2023 or the conduct of its audit of the Company's Financial Report for the period ended 30 June 2023 as contained in the Financial Report. Relevant written questions for the Auditor must be received by the Company by no later than 5:00 pm (AWST) on 15 November 2023. Please send any written questions to: The Company Secretary AIC Mines Limited Suite 3, 130 Hay Street, Subiaco Western Australia 6008. A list of written questions will be made available to shareholders attending the Meeting. If written answers are tabled at the Meeting, they will be made available to shareholders as soon as practicable after the Meeting.

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Entitlement to vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that persons who are registered holders of Shares in the Company as at 4:00 pm (AWST) on 20 November 2023 will be entitled to attend and vote at the Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of Shares is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

On a poll, shareholders have one vote for every fully paid ordinary Share held (subject to the restrictions on voting referred to in the Notice of Meeting).

Proxies

Shareholders are encouraged to vote by voting online or by completing a Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online	At www.investorvote.com.au
By mail:	Computershare Investor Services Pty Limited GPO Box 242, Melbourne Victoria 3001, Australia
By mobile:	Scan the QR Code available on the proxy form.
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Corporate Representative

If a representative of a Shareholder corporation is to attend the Meeting, a "Corporate Representative Certificate" should be completed and produced prior to the meeting. Please contact the Company's Share Registry for a pro forma certificate if required.

By Order of the Board
AIC Mines Limited



Audrey Ferguson
Company Secretary
20 October 2023

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to Shareholders of AIC Mines Limited ACN 060 156 452 (**Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at the offices of HopgoodGanim Lawyers, Level 27 Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday, 22 November 2023 at 11.00am (AWST).

The Directors recommend Shareholders read the Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 9.

2. Consider the Company's 2023 Annual Report

The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and for the period ended 30 June 2023 is being released to the ASX concurrently with this Notice of Meeting and dispatched to shareholders as required.

Shareholders can access a copy of the Company's Annual Report at:
<https://www.aicmines.com.au/investors/company-announcements/>

The Company's Annual Report is placed before the Shareholders for discussion and a reasonable opportunity will be provided for discussion. No voting is required for this item.

3. Resolution 1 – Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Report, amongst other things:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the consolidated entity;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the consolidated entity including details of performance related remuneration and any options or other securities granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic objectives and current and emerging market practices.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

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The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution. In accordance with the Corporations Act, a vote on this Resolution is advisory only and does not bind the Directors or the Company.

There are restrictions on members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) on Resolution 1, details of which are set out in the voting restriction statement included in Resolution 1 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1 subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

4. Resolution 2 – Election of Linda Hale as a Director

4.1 General

In accordance with ASX Listing Rule 14.4 and Rule 19.2 of the Company's Constitution, the Directors may appoint any individual to be a director as an addition to the existing Directors or to fill a casual vacancy. However, any such appointment concludes at the next annual general meeting following the appointment. Ms Hale was appointed as a Director on 1 February 2023 following Tony Wolfe's resignation, and accordingly her appointment requires confirmation at the Meeting.

Linda Hale therefore retires in accordance with ASX Listing Rule 14.4 and Rule 19.2 of the Company's Constitution and, being eligible, offers herself for re-election as a Director.

Ms Hale has over 30 years' experience in the mining, stockbroking and financial service sectors. Prior to joining the Board, Ms. Hale was Company Secretary at AIC Mines from 20 February 2020 until her resignation on 31 January 2023. Previous roles have included Executive Director of Finance and Administration and Company Secretary for CIBC Eyres Reed. She has also consulted on organisational change with RBC Dexia and held project management roles with several stockbrokers. Ms. Hale holds a Bachelor of Business, is a member of CPA Australia and a graduate of the Australian Institute of Company Directors.

If Resolution 2 is passed, Ms Hale will be elected as a Director of the Company. If Resolution 2 is not passed, Ms Hale will not be elected as a Director of the Company.

4.2 Directors' recommendation

The Directors (with Ms Hale abstaining) recommend that Shareholders vote in favour of Resolution 2. The Chair intends to exercise all undirected proxies in favour of Resolution 2.

5. Resolution 3 – Re-Election of Brett Montgomery as a Director

5.1 General

In accordance with Rule 19.3(b) of the Company's Constitution and ASX Listing Rule 14.4, no Director who is not a managing director may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected or three years, whichever is longer.

Mr Brett Montgomery who was previously re-elected as director at the annual general meeting on 21 May 2021, therefore retires at the annual general meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

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If Resolution 3 is passed, Mr Montgomery will be elected as a Director of the Company. If Resolution 2 is not passed, Mr Montgomery will not be elected as a Director of the Company.

5.2 Directors' recommendation

The Directors (with Mr Montgomery abstaining) recommend that Shareholders vote in favour of Resolution 3. The Chair intends to exercise all undirected proxies in favour of Resolution 3.

6. Resolution 4 – Renewal of Equity Participation Plan

6.1 Introduction

Pursuant to Resolution 4, the Company is seeking to renew the approval of Shareholders for the adoption of the Company's Equity Participation Plan (**Incentive Plan**) as an exception under Listing Rule 7.2 Exception 13(b) which would enable securities issued under the Incentive Plan (which are not otherwise subject to Shareholder approval) over the next three years to be excluded from the calculation of the number of securities issued for the purposes of Listing Rule 7.1.

6.2 Background

At the Company's 2022 AGM, the Company obtained Shareholder approval to grant Incentives, and issue Shares upon the exercise or vesting of the Incentives, under the terms of the revised Equity Participation Plan up to a maximum of 24,000,000 securities (**2022 Capacity**).

Since the approval of the 2022 Capacity, the Company has, as at the date of this Notice, issued 22,069,493 Incentives. This does not include the Incentives proposed to be issued to Aaron Colleran that are the subject of Resolution 5. The Company will issue the balance of the Incentives under the 2022 Capacity prior to the renewal of the Equity Participation Plan (that is the subject of Resolution 4) taking effect. Assuming Resolution 4 is approved, the Company will issue the balance of the 2022 Capacity and then retain capacity to issue a further 26,000,000 Incentives to Eligible Persons that do not otherwise require shareholder approval under the Listing Rules.

The Directors consider that it is desirable to maintain an equity incentive scheme under which Eligible Persons may be offered the opportunity to subscribe for Incentives in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees.

The Incentive Plan is designed to provide Incentives to Eligible Persons and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the Incentives to Eligible Persons are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

To enable the Company to secure Eligible Persons who can assist the Company in achieving its objectives, it is necessary to provide remuneration and Incentives to such personnel. The Incentive Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging Eligible Persons to acquire and retain significant shareholdings in the Company.

The purpose of the Incentive Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Persons;
- (b) link the reward of Eligible Persons to performance and the creation of shareholder value in the long term and also to issue incentives to employees;

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- (c) align the interests of Eligible Persons more closely with the interests of shareholders by providing an opportunity for Eligible Persons to receive an equity interest in the form of options, performance rights and Shares;
- (d) provide Eligible Persons with the opportunity to share in any future growth in the value of the Company; and
- (e) provide greater incentive for Eligible Persons to focus on the Company's longer term goals.

The Company seeks approval to maintain the Incentive Plan.

Listing Rules

Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring Shareholder approval (**15% Placement Capacity**).

Listing Rule 7.2 provides certain exceptions to Listing Rule 7.1, allowing certain issues of securities to be excluded from the calculation of the number of securities issued during the 12 month period. Exception 13(b) of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to securities issued under an employee incentive plan, if within three years before the date of issue, Shareholders have approved the issue of securities under the Incentive Plan as an exception to Listing Rule 7.1.

Resolution 4 proposes that Shareholders consider and renew the approval of the Incentive Plan in accordance with Listing Rule 7.2 (Exception 13), which would enable securities issued under the Incentive Plan over the next three years to be excluded from the calculation of the number of securities under the Company's 15% Placement Capacity for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue securities under the Incentive Plan to Eligible Persons (provided such Eligible Persons, for example Aaron Colleran, would not require Shareholder approval pursuant to Chapter 10 of the Listing Rules) over a period of three years up to a nominated maximum amount without using the Company's 15% Placement Capacity under Listing Rule 7.1. If Resolution 4 is not passed, the Company will not be able to issue securities under the Incentive Plan in excess of the previously approved maximum amount to Eligible Persons without using the Company's 15% Placement Capacity limit under Listing Rule 7.1, effectively decreasing the number of securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

6.3 Key features of the Incentive Plan

Shareholders may request a copy of the Incentive Plan by email cosec@aicmines.com.au. A summary of the key features of the Incentive Plan is set out in Schedule 1. The terms of the Incentive Plan remain unchanged from those approved by Shareholders at the 2022 AGM.

The Company is seeking approval under Listing Rule 7.2, Exception 13(b) to exempt grants of options, performance rights or other incentives in the form of shares to employees who are not related parties under Chapter 10 of the Listing Rules (as well as any Shares which are issued as result of any exercise of such options or performance rights) under the Incentive Plan from being counted as part of the Company's 15% Placement Capacity for the next three years to provide it with flexibility to continue remunerating its employees fairly and responsibly, and in a manner that encourages long term performance for Shareholders.

6.4 Requirement for Shareholder approval under Listing Rule 7.2

In the absence of approval under Listing Rule 7.2, Exception 13(b), grants of options, performance rights or other incentives in the form of shares to employees under the Incentive Plan may still occur after 22 November 2023 but those in excess of the 24,000,000 securities approved at the 2022 AGM will be counted as part of the Company's 15% Placement Capacity which would otherwise apply during a 12 month period (as set out in Listing Rule 7.1).

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In accordance with Listing Rule 7.2, Exception 13(b), the following information is provided to Shareholders:

- (a) a summary of the terms of the Incentive Plan is set out in Schedule 1. The terms of the Incentive Plan are the same as those approved by Shareholders at the Company's 2022 AGM;
- (b) As at the date of this Notice, a total of 22,069,493 Incentives in the form of performance rights have been granted under the 2022 Capacity since its approval at the 2022 AGM. When (and if) the remaining 1,930,507 Incentives are approved by the Board to be issued under the 2022 Capacity, they will be issued prior to the renewal of the capacity (the subject of Resolution 4) under the Incentive Plan taking effect.
- (c) if Shareholders approve Resolution 4, the maximum number of securities proposed to be used under the Incentive Plan following its renewal taking effect and within the three year period (commencing on 22 November 2023) is 26,000,000, however this is an estimate only so as to illustrate a maximum. It is not envisaged 26,000,000 securities will be issued immediately. The grant of the Incentives is discretionary and the Board may resolve not to grant Eligible Persons some or all of the Incentives for which they are eligible.
- (d) A voting exclusion statement for Resolution 4 is included in the Notice.

6.5 Directors' recommendation

As each of the Directors may be eligible to participate in the Incentive Plan, the Directors make no recommendation as to how Shareholders should vote in on Resolution 4. The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 4.

7. Resolution 5 – Approval to issue Incentives to Aaron Colleran

7.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 2,496,885 Incentives to Aaron Colleran (or his nominees).

The Company is at an important stage of development with both significant opportunities and challenges in both the near and medium term, and the proposed issue of Incentives seeks to align the efforts of Mr Colleran to achieving the key objectives of the Company through this critical phase and the resultant creation of Shareholder value. In addition, the Board believes it is important to offer these Incentives to continue to attract and maintain highly experienced and qualified executives in a competitive market whilst conserving the Company's available cash reserves by providing such incentive.

The Incentives are to be issued under the Company's Incentive Plan, the terms of which are summarised in Schedule 1.

The terms and conditions of the issue of Incentives to Mr Colleran are set out in Schedule 2, including the applicable vesting conditions.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of up to a total of 2,496,885 Incentives under the Incentive Plan to Mr Colleran (or his nominees) (**Issue**).

7.2 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

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- (a) a Director of the Company (Listing Rule 10.14.1);
- (b) an associate of a Director of the Company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

The Issue falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr Colleran elects for the Incentives to be granted to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 5 seeks the required Shareholder approval to the Issue under and for the purposes of Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 5 is passed, the Company will be able to proceed with the issue of up to 2,496,885 Incentives to Mr Colleran (or his nominee).

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of 2,496,885 Incentives to Mr Colleran (or his nominees) and the Company will need to agree alternative remuneration incentives with Mr Colleran.

7.3 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the Company advises:

- (a) the Incentives will be issued under the Incentive Plan to Mr Colleran (or his nominees), a Director of the Company;
- (b) Mr Colleran is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1 (Mr Colleran's nominees, if applicable, would fall within Listing Rule 10.14.2 as his associates);
- (c) the maximum number of Incentives to be issued to Mr Colleran (or his nominees) is 2,496,885;
- (d) Mr Colleran's current total remuneration package as at the date of this Notice is \$500,000 per annum (inclusive of superannuation) Mr Colleran is also eligible for a Short Term Incentive Bonus (**STI**) as set out in the Remuneration Report. Mr Colleran has been awarded an STI payment of \$182,667 for the period ended 30 June 2023;
- (e) Mr Colleran has previously been issued:
 - (1) under the 2019 Plan:
 - (A) 6,000,000 Incentives, as approved by Shareholders at the Company's annual general meeting held on 31 May 2019;
 - (B) 500,000 Incentives, as approved by Shareholders at the Company's annual general meeting held on 21 May 2021;
 - (2) under the 2022 Capacity:
 - (A) 1,697,793 Incentives as approved by Shareholders at the Company's 2022 AGM; and

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- (B) 262,443 Incentives as approved by Shareholders at the Company's annual general meeting held on 25 November 2022.
- (f) the Incentives issued under the 2019 Plan and the 2022 Capacity were at an acquisition price of nil;
- (g) the Incentives will be issued on the terms and conditions contained in Schedule 2;
- (h) the Board considers that Incentives, rather than Shares, are an appropriate form of incentive because they reward the achievement of financial and non-financial business objectives over a multi-year period and the holder will only obtain the value of the Incentives upon satisfaction of the relevant milestones;
- (i) the Company attributes a value of \$621,150.08 to the 2,496,885 Incentives. The valuation was conducted by an independent party using a combination of Monte Carlo (for the market based hurdles such as Total Shareholder Return) and Black-Scholes-Merton (for non-market based hurdles such as the growth in Cu reserves and resources) valuation methodologies. The assumptions underlying the valuation of the Incentives are described in the tables below;

Monte Carlo Valuation	
Valuation Parameters	Inputs and Assumptions
Valuation Date	Assumed Grant date – 18 September 2023
Performance hurdle	Total Shareholder Return as described in Schedule 2
Performance period	3 years
Expected exercise date	1 July 2026
Share price at valuation date	\$0.34
Assumed exercise price per contract	\$0.00
Risk free interest rate	3.758% The risk free rate is based on the three-year Australian Government Bonds as at Valuation date.
Dividend yield of AIC	0.00% Historical dividends were reviewed in determining an appropriate dividend yield.
Expected volatility of AIC	65.0% Historical market price volatility was taken into account in determining the expected volatility.
Opening price of AIC	\$0.40 The opening price is the share price at the performance start date.

Black-Scholes-Merton Valuation	
Valuation Parameters	Inputs and Assumptions
Valuation Date	Assumed Grant date – 18 September 2023
Performance hurdle	Growth in reserves and resources as described in Schedule 2
Expected exercise date	1 July 2026
Share price at valuation date	\$0.34
Assumed exercise price per contract	\$0.00
Risk free interest rate	3.758% The risk free rate is based on the three-year Australian Government Bonds as at Valuation date.
Dividend yield of AIC	0.00% Historical dividends were reviewed in determining an appropriate dividend yield.
Expected volatility of AIC	65.0% Historical market price volatility was taken into account in determining the expected volatility.

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- (j) the Incentives will be issued as soon as practicable following Shareholder approval and in any event, no later than three years after the date of the Meeting;
- (k) the Incentives will have an issue price of nil as they will be issued as part of Mr Colleran's remuneration package;
- (l) a summary of the material terms of the Plan is in Schedule 1;
- (m) no loan will be provided in relation to the issue of the Incentives;
- (n) details of any Securities issued under the 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. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Plan after Resolution 5 is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14;
- (o) a voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

In accordance with section 208 of the Corporations Act, the Company must obtain Shareholder approval to give a financial benefit to a related party unless an exception applies.

The issue of the Incentives constitutes the giving of a financial benefit and Mr Colleran is a related party of the Company by virtue of being a Director.

Section 211 of the Corporations Act provides an exception to the requirement to obtain Shareholder approval for giving a financial benefit to a related party if:

- (a) the benefit is remuneration of a related party as an officer (including a Director) of the company; and
- (b) to give the remuneration would be reasonable given the circumstances.

The Board (excluding Mr Colleran, in light of his personal interest in the Resolution) considers that the proposed issue of Incentives is reasonable in all the circumstances and that the exception in section 211 of the Corporations Act applies. Accordingly, the Board (excluding Mr Colleran) considers that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Incentives.

7.5 Board recommendation

The Board (other than Mr Colleran who has a personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 5. The Chair intends to exercise all undirected proxies in favour of Resolution 5.

8. Resolution 6 - Approval of 10% Placement Facility

8.1 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.

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Under Listing Rule 7.1A, however, an Eligible Entity may seek Shareholder approval at its annual general meeting by way of Special Resolution to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**) to increase this 15% limit by an extra 10% to 25%.

The Company is an Eligible Entity, meaning it is an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

Resolution 6 seeks Shareholder approval by way of Special Resolution for the Company to have the 10% Placement Capacity to issue Equity Securities without Shareholder approval.

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in section 8.2 below).

The effect of Resolution 6 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rule 7.1 and 7.1A without any further Shareholder approval. There are no proposed issues by the Company under this proposed Resolution if the Resolution is passed.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% Placement Capacity to issue Equity Securities without Shareholder approval provided 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. Accordingly, if the Company intends to issue securities over and above its placement capacity under Listing Rule 7.1 then Shareholder approval will be required to issue such securities.

8.2 Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

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 less than \$300,000,000. If, however, on the date of the Meeting the Company's market capitalisation exceeds \$300,000,000, then Resolution 6 will no longer be effective and will be withdrawn.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: (A1M)).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

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Where:

- A is the number of Shares on issue at the commencement of the Relevant Period:
- (1) plus the number of Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (2) plus the number of fully paid ordinary securities issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (A) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
 - (3) plus the number of fully paid ordinary securities issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (A) the agreement was entered into before the commencement of the Relevant Period; or
 - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
 - (4) plus the number of any other fully paid ordinary securities issues in the Relevant Period with approval under Listing Rule 7.1 or 7.4;
 - (5) plus the number of partly paid shares that became fully paid in the Relevant Period; and
 - (6) less the number of Shares cancelled in the Relevant Period.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period immediately preceding the date of issue or agreement to issue where the issue or agreement has not been subsequently approved by the holders of Ordinary Securities under ASX Listing Rule 7.4.

8.3 Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the Company advises:

(a) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (1) the date that is 12 months after the date of this Meeting;
- (2) the time and date of the Company's next annual general meeting;
- (3) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

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(b) Minimum Price

The minimum cash consideration per security at which existing quoted Equity Securities may be issued under the 10% Placement Capacity is 75% of the VWAP of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (2) if the Equity Securities are not issued within 10 ASX trading days of the date in section (1) above, the date on which the Equity Securities are issued.

(c) Purpose of the issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration in which case the Company intends to use funds raised for continued exploration, development and operation of the Company's current assets, general working capital or in connection with the acquisition costs of any investments in exploration or mining assets the Company may acquire in the future or the development or operation of such assets.

The Company will comply with the disclosure obligations under Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities.

The Company advises that it has no current intention to issue Equity Securities under Listing Rule 7.1A but is seeking Shareholder approval to retain flexibility to issue additional Equity Securities into the future.

(d) Risk of economic and voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, 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 ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at 9 October 2023.

The table also shows the voting dilution impact where the number of Shares on issue (**Variable 'A'** in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Potential Dilution and Funds Raised			
	Issue Price (per Share)	\$0.1375 50% decrease in Issue Price	\$0.275 Issue Price	\$0.55 100% increase in Issue Price
462,470,632 (Current Variable 'A')	Shares issued - 10% voting dilution	46,247,063 Shares	46,247,063 Shares	46,247,063 Shares
	Funds raised	\$6,358,971.16	\$12,717,942.33	\$25,435,884.65
693,705,948 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	69,370,595 Shares	69,370,595 Shares	69,370,595 Shares
	Funds raised	\$9,538,456.81	\$19,076,913.63	\$38,153,827.25

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Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Potential Dilution and Funds Raised			
	Issue Price (per Share)	\$0.1375 50% decrease in Issue Price	\$0.275 Issue Price	\$0.55 100% increase in Issue Price
924,941,264 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	92,494,126 Shares	92,494,126 Shares	92,494,126 Shares
	Funds raised	\$12,717,942.33	\$25,435,884.65	\$50,871,769.30

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) based on the total number of 462,470,632 fully paid ordinary Shares on issue on the ASX as at 9 October 2023;
- (1) the issue price set out above is the closing price of the Shares on the ASX on 9 October 2023;
- (2) the Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity;
- (3) the issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no convertible securities are exercised into Shares before the date of issue of the Equity Securities under the 10% Placement Capacity;
- (4) 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 individual shareholding depending on their specific circumstances;
- (5) this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1, or increases in the number of Shares on issue as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities); and
- (6) 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%.

Shareholders should note that there is a risk that:

- (1) the market price for the Company's Shares (being the Equity Securities in the class the subject of the Listing Rule 7.1A mandate) may be significantly lower on the issue date than on the date of the Meeting; and
- (7) the Company's Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). The Company considers that it may raise funds under the 10% Placement Capacity although this cannot be guaranteed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board reserves the right to determine at the time of any issue of Equity Securities under Listing Rule 7.1A, and the allocation policy that the Company will adopt for that issue.

Recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of or associates of a related party of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (1) the purpose of the issue;
- (1) the methods of raising funds that are available to the Company including, but not limited to, a rights issue or other issues where existing Shareholders may participate;
- (2) the effect of the issue of the Equity Securities on the control of the Company;
- (3) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (4) prevailing market conditions; and
- (5) advice from corporate, financial and broking advisers (if applicable).

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

The Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A in the 12 months preceding the date of this Meeting.

8.4 **Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholders to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

8.5 **Directors recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 6. The Chair intends to exercise all undirected proxies in favour of Resolution 6.

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9. Interpretation

2019 Plan means the Company's previous employee incentive scheme approved by Shareholders on 31 May 2019 that was replaced by the Incentive Plan.

2022 AGM means the Company's annual general meeting held on 27 May 2022.

2022 Capacity means the Shareholder approval obtained at the 2022 AGM to grant Incentives, and issue Shares upon the exercise or vesting of the Incentives, under the terms of the revised Equity Participation Plan up to a maximum of 24,000,000 securities.

Advisory Resolution means a Resolution which, the result of voting by Shareholders, does not bind the Company.

Annual Report means the annual report for the Company for the period ended 30 June 2023 to be released to the ASX concurrently with this Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

Award means either:

- (a) the grant of an Incentive to a Participant under the Plan, including any entitlement to a Dividend Equivalent Payment (as defined in and in accordance with the Plan); and
- (b) the Allocation (as defined in and in accordance with the Plan) of a Share to a Participant under the Plan.

Board means the board of directors of the Company.

Chair means the person who chairs the Meeting.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant 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 dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition.

Company means AIC Mines Limited ACN 060 156 452.

Company Group or **Group** means the Company and its Related Bodies Corporate.

Constitution means the constitution of the Company from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

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Eligible Person means the person whom the Board determined in its absolute discretion is eligible to participate in the Plan, other than a person whose participation in the Plan would disentitle the Company from relying on any applicable instrument of relief issued by ASIC from time to time relating to employee incentive schemes.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting.

Financial Benefit has the meaning given to that term in section 229 of the Corporations Act.

Incentive means an option or a conditional right to acquire a Share on the terms set out in the Plan and the Invitation.

Incentive Plan or **Plan** means the Company's employee incentive scheme substantially in the form provided in Schedule 1.

Invitation means an invitation to an Eligible Person in accordance with the Plan

Key Management Personnel or **KMP** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rule means the official listing rules of the ASX as amended from time to time.

Meeting, Annual General Meeting or **AGM** means the annual general meeting to be held at the offices of HopgoodGanim Lawyers, Level 27 Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday, 22 November 2023 at 11.00am (AWST) as convened by the accompanying Notice of Meeting.

Notice of Meeting or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

Performance Condition means a performance condition required to be met by an Eligible Person in order to have Incentives vest under the Plan.

Related Bodies Corporate has the meaning given to that term in the Corporations Act.

Related Party has the meaning in section 228 of the Corporations Act.

Relevant Period means:

- (a) if the entity has been admitted to the official list for 12 months or more, the 12 months period immediately preceding the date of the issue or agreement; or
- (b) if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

Remuneration Report means the remuneration report as contained in the annual Directors Report of the Company for the period ended 30 June 2023.

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Resolution means a resolution as set out in the Notice of Meeting.

Securities has the meaning in section 92(1) of the Corporations Act.

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

Shareholder means a holder of Shares in the Company.

Special Resolution means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

VWAP means the volume weighted average market price.

Any enquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Audrey Ferguson (**Company Secretary**):

Suite 3, 130 Hay Street
Subiaco WA 6008
+61 (08) 6269 0110
cosec@aicmines.com.au

Explanatory Memorandum

Schedule 1 – Summary of Incentive Plan

Item	Term Details
Board	The Board is responsible for the operation of the Plan and may in its absolute discretion issue or cause to be issued Invitations on behalf of the Company to Eligible Persons.
Participants	An Eligible Person who accepts an Invitation and to whom an Award is made under the Plan.
Eligibility	The Board may determine in its absolute discretion who is eligible to participate in the Plan, other than a person whose participation in the Plan would disentitle the Company from relying on any applicable instrument of relief issued by ASIC from time to time relating to employee incentive schemes.
Number of Incentives	The Board has discretion to determine the number of Incentives offered to Eligible Persons, subject to a limit in accordance with the maximum permitted under an instrument of relief issued by ASIC from time to time relating to employee incentive schemes which the Company is relying on in regards to the Invitation.
No payment on grant or vesting	Unless the Board determines otherwise, a Participant will not pay anything for the Award of Incentives or Shares.
Vesting Conditions	If applicable, and as determined by the Board, vesting of the Incentives is conditional on the Participant satisfying the pre-determined vesting conditions and Performance Conditions imposed by the Board at the end of the vesting period. The vesting period if applicable to Incentives is the period determined by the Board and provided in the Invitation.
Vesting of Incentives	The Incentives will only vest if the Participant meets any specified vesting conditions and any Performance Conditions within the vesting period. The Board retains a residual discretion to reduce the number of Incentives that will vest depending upon the particular circumstances. Exercise of Incentives is subject to the vesting of Incentives, if applicable.
Entitlement under Incentives	An Eligible Person has no entitlement to be Awarded any Incentives unless and until such Incentives are Awarded. Unless and until a Share has been Allocated to a Participant under an Award or on vesting and exercise (if applicable) of the Incentive, the Participant has no interest in those Shares. An Incentive does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of a bonus issue, rights issue or otherwise.
Issue, transfer or allocation or Shares on vesting of Incentives	The vesting and exercise (if applicable) of an Incentive will be satisfied by the Company, at the Board's discretion, either: (i) Allocating a Share to the Participant; or (ii) making a cash payment in lieu of an Allocation of Shares, and delivering any Dividend Equivalent Payment (as defined in and in accordance with the Plan) that a Participant becomes entitled to under the Plan.
Dividends	The Incentives do not confer any right to vote, except as otherwise required by law, unless and until the Incentives have been converted into Shares.
Rights to a return of capital	The Incentives do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital, or otherwise, unless and until the Incentives have been converted into Shares.

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Item	Term Details
Rights on winding up	The Incentives do not confer any right to participate in the surplus or profit or assets of the Company upon a winding up, unless and until the Incentives have been converted into Shares.
Reorganisation of capital	In the event of any reorganisation of the issued capital of the Company, all rights of the holder of the Incentives will be varied to comply with the Listing Rules at the time of the reorganisation.
Adjustments for new issues	There will be no change to the number of Shares over which the Incentives may convert in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares (other than a bonus issue). If the Company makes a bonus issue of Shares or other securities to existing Shareholders, there will be no change to the number of Shares which must be issued on the conversion of an Incentive as a result of such bonus issue.
Cessation of employment	On a Participant's cessation of employment, subject to the particular terms of the Award, the Board may determine that some or all of the Participant's Incentives lapse, vest, are exercisable for a prescribed period (if applicable), or are no longer subject to some or all applicable restrictions.
Change of control	Upon a change of control event occurring, then: (a) the Board may, in its absolute discretion, determine that all or a specified number of a Participant's Incentives: (1) vest and are exercisable (if applicable) for the period determined by the Board; (2) cease to be subject to dealing restrictions (as applicable); or (3) lapse or be cancelled if the Board determines in its absolute discretion that a term of the change of control event is that holders of those Incentives will participate in an acceptable alternative employee share incentive scheme which is reasonably acceptable to the Board in its absolute discretion; and (b) All Shares held by an Eligible Person under the Plan which are subject to a dealing restriction will be released.
Clawback provision	The Board has broad clawback powers to determine that Incentives lapse, or that allocated Shares are forfeited, or that amounts are to be repaid in certain circumstances (for example, in the case of serious misconduct).
Restrictions on dealing	The Board may at its discretion impose restrictions on dealing in respect of any Shares that are Allocated either under an Award or upon vesting and exercise (if applicable) of an Incentive. If the release of any restrictions imposed would arise in a period where dealing by an Eligible Person would be prohibited under law or the Securities Trading Policy, such release will be delayed until such time as dealings are permitted.

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Schedule 2 - Summary of terms and conditions of Incentives to Mr Colleran

Item	Term Details		
Participant	Aaron Colleran		
Entitlement	2,496,885		
Issue price	\$0.00		
Issue date	As soon as practicable after Shareholder Approval and in any event will not be issued later than 3 years after the date of the Meeting.		
Exercise price	\$0.00		
Number of Incentives	2,496,885		
Expiry date	5 years from issue		
Exercise period	At any time up to the expiry date, subject to vesting conditions being achieved.		
Vesting conditions / performance hurdles	See table below		
Goal	Weighting	Measure	Level of vesting
Total Shareholder Return - Absolute	30%	Share price increase greater than 50%	100%
		Share price increase between 25% and 50%	Pro rata 75% - 100%
		Share price increase between 10% and 25%	Pro rata 50% - 75%
		Share price <10%	Nil
Total Shareholder Return - Relative	30%	Equal to or above 75th percentile	100%
		Equal to or above 50th percentile and below the 75th percentile	Pro rata vesting on a straight line basis between 50% and 100%
		Less than 50th percentile	Nil
Copper equivalent Ore Reserve Growth	20%	Depletion replacement +>10% increase	100%
		Between depletion replacement and up to 10% increase	Pro rata vesting on a straight line basis between 50% and 100%
		Depletion replaced	50%
		Depletion not replaced	Nil
Copper equivalent Mineral Resource Growth	20%	Depletion replacement +>10% increase	100%
		Between depletion replacement and up to 10% increase	Pro rata vesting on a straight line basis between 50% and 100%
		Depletion replaced	50%
		Depletion not replaced	Nil
Goal	Testing		
Total Shareholder Return - Absolute	Measured by calculating the percentage by which the 30-day volume weighted average share price (VWAP) quoted on the ASX at close of trade on the first day of the performance period (1 July 2023) has increased compared to the 30-day VWAP quoted on the ASX on the last day of the performance period (30 June 2026).		

Explanatory Memorandum

Total Shareholder Return - Relative	Measured by calculating the relative total shareholder return over the performance period compared to peer companies TNC, AMI, HGO, PAN, PNR, AIS, POL, POS, DVP, KGL, G1A, CNB, CYM and AR1. Peer companies will be updated over time, if required, with Board approval.
Copper equivalent Ore Reserve Growth	Measured by calculating the Ore Reserve growth over the performance period by comparing the Ore Reserve current at the first day of the performance period (1 July 2023) to the Ore Reserve current at the last day of the performance period (30 June 2026). The Ore Reserve position will be the JORC Code compliant Ore Reserve as disclosed to the ASX prior to the Performance Date. All Ore Reserves in which the Company has an interest at the calculation date will be included in the calculation and hence includes new projects and acquisitions.
Copper equivalent Mineral Resource Growth	Measured by calculating the Mineral Resource growth over the performance period by comparing the Mineral Resource current at the first day of the performance period (1 July 2023) to the Mineral Resource current at the last day of the performance period (30 June 2026). The Mineral Resource position will be the JORC Code compliant Mineral Resource as disclosed to the ASX prior to the Performance Date. All Mineral Resources in which the Company has an interest will be included in the calculation and hence includes new projects and acquisitions.

A1MRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030**Need assistance?****Phone:**1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)**Online:**www.investorcentre.com/contact**YOUR VOTE IS IMPORTANT**

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Monday, 20 November 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

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

PARTICIPATING IN THE MEETING**Corporate Representative**

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:**XX****Online:**

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 999999****PIN: 99999**

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of AIC Mines Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of AIC Mines Limited to be held at the offices of HopgoodGanim Lawyers, Level 27 Allendale Square, 77 St Georges Terrace, Perth, WA 6000 on Wednesday, 22 November 2023 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4 and 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4 and 5 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Remuneration Report	☐	☐	☐
Resolution 2	Election of Linda Hale as a Director	☐	☐	☐
Resolution 3	Re-election of Brett Montgomery as a Director	☐	☐	☐
Resolution 4	Renewal of Equity Participation Plan	☐	☐	☐
Resolution 5	Approval to issue Incentives to Aaron Colleran	☐	☐	☐
Resolution 6	Approval of 10% Placement Facility	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

