



CANTERBURY RESOURCES

Canterbury Resources Limited ACN 152 189 369

Suite 301, 55 Miller Street, Pyrmont NSW 2009

www.canterburyresouces.com.au

ERRATUM

Canterbury Resources Limited hereby notifies investors that page 18 of the Explanatory Memorandum is hereby inserted in the Notice of Meeting which is hereby restated without any other changes.

Veronique Morgan-Smith
Company Secretary

31 October 2022



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On 27 October 2022

Dear Shareholder

ANNUAL GENERAL MEETING 2022

On behalf of the Board of Directors of Canterbury Resources Limited (the Company or Canterbury), I am pleased to confirm that the Company's Annual General Meeting (**AGM**) will be held as a hybrid meeting on Friday 25 November 2022 commencing at 10.30AM (Sydney time). You will find attached the Notice of Meeting (**Notice**).

The Board has decided to hold the AGM as a hybrid meeting via the Zoom online platform.

Accordingly, the Directors strongly encourage all shareholders to lodge online a directed proxy form and appoint the Chair as proxy as follows before Wednesday 23 November 2022 at 10.30AM*:

- to use the online lodgement facility, shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form or on a Shareholding Statement).
- login to the Automic website as follows:
 - go to <https://investor.automic.com.au/#/loginsah> or
 - <https://investor.automic.com.au/#/home>
 - use the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'.

The Company will not be dispatching physical copies of the Notice. Instead, a copy of the Notice will be available under the Newsroom section of the Company's website at <https://www.canterburyresources.com.au/2022-AGM/> and the Annual Report is available at <https://www.canterburyresources.com.au/2022-annual-report/>

If you have not elected to receive notices by email, you will receive your proxy form by post.

If you have elected to receive notices by email, you will receive your proxy form by email.

Shareholders will be able to participate in the AGM by:

- (a) registering their attendance by entering the following URL in your browser: https://us06web.zoom.us/webinar/register/WN_1EJYRwUUT7GkuvKPIfiDig
- (b) The meeting ID for the Meeting is: **899 0181 0651** and your registration details are your first name, your surname and your email address.
- (c) lodging questions in advance of the meeting by emailing the questions to the Company at info@canterburyresources.com.au by no later than 10.30AM on 23 November 2022 and using the Q&A function of Zoom during the meeting.

I look forward to your virtual attendance and the opportunity to engage with you at our 2022 AGM.

Yours sincerely
John Anderson
Chairman

*appointing a proxy for votes does not prevent you from attending the meeting.



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NOTICE OF 2022 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ninth Annual General Meeting (**AGM** or **Meeting**) of the members of Canterbury Resources Limited (the **Company** or **Canterbury**) will be held on Friday 25 November 2022 as a hybrid meeting commencing at 10.30AM (Sydney time) for the purpose of transacting the business set out in this Notice.

The Directors strongly encourage all shareholders to lodge online a directed proxy form and appoint the Chair as proxy as follows:

- to use the online lodgement facility, shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form or on a Shareholding Statement).
- login to the Automic website as follows:
 - go to <https://investor.automic.com.au/#/loginsah> or
 - <https://investor.automic.com.au/#/home>
 - use the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'.

Proxies must be lodged by no later than Wednesday 23 November 2022 at 10.30AM.

Shareholders will be able to participate in the AGM by:

- (a) registering their attendance by entering the following URL in your browser:
https://zoom.us/webinar/register/WN_c5f_727HQqGO_TafB5wLyg
- (b) The meeting ID for the Meeting is: **899 0181 0651** and your registration details are your first name, your surname and your email address.
- (c) lodging questions in advance of the meeting by emailing the questions to the Company at info@canterburyresources.com.au by no later than 10.30AM on 25 November 2022 and using the Q&A function of Zoom during the meeting.

For any enquiries relating to virtual participation, please contact the Company Secretary at +61 2 9392 8020 or info@canterburyresources.com.au

Shareholders will be able to log in to the online platform from 10.15AM (Sydney time) on the date of the Meeting. Further information on how to participate virtually is set out in this Notice. You will get a confirmation email upon registration, providing the various details of the meeting.

If it becomes necessary to make further alternative arrangements for holding the Meeting, the Company will ensure that shareholders are given as much notice as possible. Further information will be made available on the Company's website at www.canterburyresources.com.au or the ASX website.

ORDINARY BUSINESS

Item 1: Financial Statements and Reports

To receive the financial statements and associated reports of the Company and its controlled entities, which include the Annual Financial Report, the Directors' Report and the Auditor's Report, for the year ended 30 June 2022.

Note: this item of business is for discussion only and is not a resolution as there is no requirement for shareholders to approve the Annual Financial Report, the Directors' Report and the Auditor's Report.

Item 2: Remuneration Report

To adopt the remuneration report for the year ended 30 June 2022.

Note: This resolution is advisory only and does not bind the Company or the Directors.

Item 3: Election of Directors

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

"To elect Mr Ross Moller, who retires as a Director by rotation pursuant to ASX Listing Rule 14.4 and clause 12.11 of the Company's Constitution, and being eligible, offers himself for re-election as a Non-Executive Director of the Company;"

SPECIAL BUSINESS

Item 4: Approval of Employee Share Option Plan

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

"To approve for the purposes of ASX Listing Rule 7.2 Exception 13 and for all other purposes, the 2022 Employee Share Option Plan for a period of three years from the date of this Meeting and authorise the Company to allot and issue ordinary shares upon the exercise or vesting of incentives under the terms of the 2022 Employee Share Option Plan as described in the Explanatory Notes."

Item 5: Approval of Grant of Options to Directors

Item 5(a): Approval of Grant of Options to Managing Director Grant Craighead

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

"To approve, under and for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant of 500,000 options (and the resulting issue of shares in the Company) to Mr Grant Craighead under the Canterbury Employee Share Option Plan, pursuant to its terms and as described in the Explanatory Notes."

Item 5(b): Approval of Grant of Options to Chairman John Anderson

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

"To approve, under and for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant of 500,000 options (and the resulting issue of shares in the Company) to Mr John Anderson under the Canterbury Employee Share Option Plan, pursuant to its terms and as described in the Explanatory Notes."

Item 5(c): Approval of Grant of Options to Director Ross Moller

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

"To approve, under and for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant of 500,000 options (and the resulting issue of shares in the Company) to Mr Ross Moller under the Canterbury Employee Share Option Plan, pursuant to its terms and as described in the Explanatory Notes."

Item 5(d): Approval of Grant of Options to Director Michael Erceg

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

"To approve, under and for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant of 500,000 options (and the resulting issue of shares in the Company) to Mr Michael Erceg under the Canterbury Employee Share Option Plan, pursuant to its terms and as described in the Explanatory Notes."

Item 5(e): Approval of Grant of Options to Director Robyn Watts

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

"To approve, under and for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant of 500,000 options (and the resulting issue of shares in the Company) to Ms Robyn Watts under the Canterbury Employee Share Option Plan, pursuant to its terms and as described in the Explanatory Notes."

Item 6: Approval of additional 10% placement capacity

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

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, approval is given by the shareholders to allow the Company to issue equity securities up to 10% of the fully paid ordinary issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the explanatory statement attached hereto."

Note: this resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

Item 7: Approval of amended constitution

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

"That, for the purpose of section 136(2) of the Corporations Act 2001 (Cth) and all other purposes, the amended Constitution be adopted on the basis set out in the Explanatory Notes, with effect from the conclusion of the meeting."

Note: this resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

BY ORDER OF THE BOARD

Veronique Morgan-Smith
Company Secretary
27 October 2022

KEY DATES

Eligibility to attend and vote:	You are eligible to attend and vote at the meeting if you are registered as a shareholder of Canterbury at 10.30am (AEDT) on 23 November 2022.
Last date to submit Proxy Forms:	Your completed Proxy Form must be received by Canterbury (via Automic) no later than 10.30am (AEDT) on 23 November 2022 in order to be effective.
Questions	If you wish to submit questions to the Board, they need to be sent to info@canterburyresources.com.au and received by 10.30am (AEDT) on 23 November 2022 or by using the Q&A function of Zoom during the meeting. There will be a time for Q&A at the end of the meeting.

VOTING

Each of the resolutions proposed at the meeting will be decided on a poll.

On a poll, shareholders have one vote for every fully paid Share held.

Voting by proxy

A shareholder entitled to vote at the AGM may appoint a proxy to attend and vote at the AGM on their behalf.

A proxy does not need to be a shareholder of the Company.

If a shareholder is entitled to cast two or more votes at the AGM, the shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the shareholder's votes that each proxy may exercise, each proxy may exercise half of the shareholder's votes on a poll. Fractions will be disregarded.

To appoint a proxy online (preferred voting option):

- **to use the online lodgement facility, shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form or on a Shareholding Statement).**
- **login to the Automic website as follows:**
 - go to <https://investor.automic.com.au/#/loginsah> or
 - <https://investor.automic.com.au/#/home>
 - use the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'.

Alternative ways to appoint a proxy: you can appoint a proxy by completing and signing the enclosed proxy form and sending the form to by:

(a) Email the pdf to meetings@automic.com.au; or

(b) Fax to Automic at (+61 2) 8583 3040;

Shareholders are encouraged to submit their proxies online. If you wish to post a proxy form, please be aware of current postal timeframes, including the possibility of delays due to COVID-19 regulations and reduced frequency of deliveries. The postal address is: Automic at GPO BOX 5193, Sydney, NSW 2001 Australia

Deliveries in person are not accepted at Automic or Canterbury.

The deadline for receipt of proxy appointments is 10.30am (AEDT) on 23 November 2022.

Proxy appointments received later than this time will be invalid.

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the Share Registry.

Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.

Voting in person

Shareholders are encouraged to vote by proxy online as this is the most practical means to vote. If you have not been able to vote prior to the Meeting, you will be given the opportunity to vote during the Meeting.

QUESTIONS FROM SHAREHOLDERS

Shareholders may direct questions during the meeting to the Chairman about the operations and management of Canterbury, or to Canterbury's auditor about the content of the auditor's report and the conduct of the audit.

Shareholders are encouraged to submit questions to the Board by sending an email to info@canterburyresources.com.au at least 48 hours before the meeting.

A reasonable opportunity will be given to shareholders to ask questions at the end of the Meeting.

EXPLANATORY NOTES

These explanatory notes set out information in connection with the business to be considered at the 2022 Annual General Meeting of Canterbury Resources Limited.

ORDINARY BUSINESS

Item 1: Financial Statements and Reports

The Corporations Act 2001 requires the Annual Financial Report, Directors' Report and Auditor's Report (**Annual Reports**) to be laid before the Annual General Meeting.

The Annual Reports for the financial year ended 30 June 2022 have been sent to the shareholders by email or post in accordance with stated preferences and are disclosed on the Company's website at www.canterburyresources.com.au and [ASX website](#). If you need a paper copy, please contact the Company directly.

There is no requirement for shareholders to approve the Annual Reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the operations and management of Canterbury. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the auditor's report.

Item 2: Remuneration Report

The remuneration report of the Company for the financial year ended 30 June 2022 (FY22) is set out in the Company's 2022 Annual Report. The report outlines the Company's executive remuneration framework and the FY22 remuneration outcomes for the Board and the Managing Director.

The Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the remuneration report at the meeting before calling for a vote.

The resolution is advisory only and is not binding on the Company or the Board. The Board will consider and take into account the outcome of the vote and feedback from shareholders on the remuneration report when reviewing the Company's remuneration policies.

If twenty five per cent (25%) or more of votes cast are voted against the adoption of the remuneration report in two consecutive annual general meetings and a resolution was not put to the vote at the earlier annual general meeting under an earlier application of section 250V of the Corporations Act 2001 (Cth), a company will be required to put to its shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of all directors of the Company other than the Managing Director (**Spill Resolution**). If fifty percent (50%) of votes are cast in favour of the Spill Resolution, the company must convene the extraordinary general meeting within ninety (90) days of the second annual meeting.

It is noted that at the Company's last Annual General Meeting, there were no votes cast against the remuneration report and accordingly, a Spill Resolution will not arise at this Annual General Meeting.

Board recommendation:

The non-executive directors recommend that you vote in favour of this item.

Voting:

In respect of this resolution, the Company will disregard any votes cast by Mr Craighead and Mr Erceg, and by any associates of theirs. The Chairman of the meeting intends to vote available proxies in favour of this resolution.

Item 3: Election of Directors

Mr Ross Moller retires as a Director by rotation pursuant to ASX Listing Rule 14.4 and clause 12.11 of the Company's Constitution, and being eligible, offers himself for re-election as a Director of the Company.

Ross is a Chartered Accountant and Chartered Governance Professional and brings 30+ years' experience in providing corporate advisory and secretarial services to a range of listed and unlisted companies. He has expertise in financial management, corporate governance and strategic planning, as well as commercial and legal risk issues. Ross is based in Singapore and is an Executive Director of a Management Consultancy business that operates across the Asia-Pacific region.

Mr. Ross Moller was originally appointed as a Director of the Company on 19 July 2011. He was also appointed as Secretary at that time and continues to act as co-Secretary. He is the Chair of the Audit Committee. The Board considers that Mr Ross Moller is an independent Director. His shareholding in the Company is less than 5% of the issued capital at 31 August 2022. He is free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of his judgement, and he is able to fulfil the role of an independent director for the purposes of the ASX Recommendations.

Under the Company's constitution, Mr. Moller retires by rotation, and being eligible, wishes to stand for re-election.

Other directorships: Smart Software (Singapore) Pte Ltd; Howard Wright Australia Pty Ltd; Travel Systems Pty Ltd

Interests in the Company: Ordinary shares - 2,604,500; Options - 450,000.

Board Recommendation:

The non-candidate Directors unanimously support the re-election of Mr Moller.

Voting:

The Chairman of the meeting intends to vote available proxies in favour of this resolution. There are no voting exclusions on this resolution.

SPECIAL BUSINESS

Item 4: Approval of the Employee Incentive Plan

Under Listing Rule 7.2 (Exception 13), for issues under an employee incentive scheme not to count towards the 15% capacity to issue share capital in a 12-month period without shareholder approval, shareholder approval of the employee incentive scheme is required:

- (a) every three years; or
- (b) if there is a material change to the terms of an approved employee incentive scheme.

The Company's current Employee Share Option Plan was approved by Shareholders on 1 March 2013 before the Company was listed and published at the time of listing in 2019 (**ESOP**). Shareholder approval is therefore now required so that issues of options and underlying shares under the ESOP comply with the terms of Listing Rule 7.2 (Exception 13).

The ESOP is attached in Appendix A.

The purpose of this ESOP is to provide incentives to senior staff to achieve the Company's long term objectives and improve the long term performance of the Company. The ESOP is a key part of the longer term retention and incentive strategy of the Company. The ESOP recognises that the growth and profitability of the Company is heavily dependent on the retention of key senior staff.

The ESOP is administered by the Board in accordance with its rules. The Board has full discretion, subject to the terms of the ESOP, the Constitution, the Corporations Act and the Listing Rules.

Options granted under the ESOP (**Employee Options**) are issued for nil consideration, unless the Board resolves otherwise. Employee Options are non-transferable. There is no obligation on the Company to apply for quotation of the Employee Options on the ASX. Optionholders have no rights or entitlements to participate in dividends declared by the Company or rights to vote at meetings of the Company until that Employee Option is exercised. Shares allotted upon exercise of the Employee Options will rank equally with Shares previously issued by the Company and will be listed in accordance with ASX Listing Rules. The Board sets in its absolute discretion the exercise price of the Employee Options, their number and the period during which the Employee Option can be exercised. The number of Employee Options that can be issued by the Board under the ESOP at any time is limited on the basis that the total number of Shares which might be issued pursuant to the exercise of Employee Options both unexercised and unexpired, and the total number of Shares issued as a result of the exercise of Employee Options during the previous 5 years cannot exceed 10% of the total number of Shares on issue (while the Company is unlisted). In accordance with ASIC RG49, the Company will limit the grants of Employee Options under the ESOP to 5% of the total number of Shares on issue while it is listed.

Beneficiaries of the ESOP are employees and deemed employees. Eligible employees are full time or part-time employees or directors of the Company. Deemed employees are casual employees who have worked for the Company or a subsidiary for more than one year and consultants who have worked for the Company or a subsidiary for more than one year and have derived more than 80% of their income from the Company or a subsidiary.

Employee Options lapse and are forfeited:

- 30 days after resignation by the employee; or
- Immediately upon dismissal for wilful misconduct, repeated disobedience, incompetence, fraud or dishonesty, or any other fair and reasonable cause.

Employee Options will be adjusted in accordance with any pro-rata issues, bonus issues or reconstruction event.

The ESOP may be terminated at any time or suspended for any period by resolution of the Board and notification thereof to the ASX. Termination or suspension of the ESOP does not affect the rights of the Holders of unexpired Employee Options previously granted under the ESOP and these Rules will continue to apply to those options until they lapse or are exercised.

Historically, the Company has issued 4,600,000 options under the ESOP since the Company was listed in 2019, including 3,550,000 options that remain outstanding.

The maximum number of options proposed to be issued under the ESOP for the three year period following shareholder approval under Item 4 is 6,701,176, which includes the 2,500,000 options proposed to be issued under Item 5 below. This maximum number is not intended to be a prediction of the actual number of options to be issued under the ESOP but is simply an indication for the purpose of Listing Rule 7.2 Exception 13(b).

Board Recommendation

The Directors recommend that shareholders vote in favour of this resolution.

Voting:

The Chairman of the meeting intends to vote available proxies in favour of this resolution. The Company will disregard any votes cast:

- (a) *by a person who is eligible to participate in the ESOP, namely the current Directors, full-time or part-time employees and consultants deemed to be eligible by the Board;*

(b) by his or her nominees and any of his or her associates.

However, the Company need not disregard a vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or*
- (b) 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*
- (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.*

Item 5: Approval of the Grant of Options to Directors

Canterbury is proposing to issue a number of options under the Canterbury Employee Share Option Plan to Directors (**New Options**) under resolutions 5(a) to 5(e).

The Canterbury Employee Share Option Plan was adopted by the Board of Canterbury on 1 March 2013 in order to grant options to subscribe for shares in Canterbury to its eligible staff, Directors and eligible consultants (all together defined as **Eligible Employees**). The intention of the Plan is to align as closely as possible the longer term interests of all Eligible Employees with those of Canterbury's shareholders, by encouraging all Eligible Employees to add value to Canterbury over time through their demonstrated loyalty and hard work.

Canterbury's policy is to grant options on an annual basis in recognition of his or her completed contribution to the Company's progress over the previous financial year. In keeping with statutory approved guidelines, Canterbury limits the number of options at any time granted under the Canterbury Employee Share Option Plan to not more than 5% of the issued capital of the Company (presently 134,023,530 fully paid ordinary shares). A summary of the Canterbury Employee Share Option Plan is provided below in Appendix A.

The Board, on the recommendation of the Remuneration Committee, has resolved to grant Eligible Employees (other than Directors) 500,000 unlisted options with an exercise price of A\$0.06 and an expiry date of 30 June 2025 under the Canterbury Employee Share Option Plan, vesting immediately, in respect to their performance during the financial year ended 30 June 2022.

In addition, it is proposed to grant Directors who held office during the financial year ended 30 June 2022, 2,500,000 unlisted options with an exercise price of A\$0.06 and an expiry date of 30 June 2025 under the Canterbury Employee Share Option Plan, vesting immediately upon approval of the AGM as follows (**New Options**):

Grantee	Position	Number of Options:	Exercise Price	Expiry Date	Max. number of underlying Shares
Grant Craighead	Managing Director	500,000	\$0.06	30 June 2025	500,000
Michael Erceg	Executive Director	500,000	\$0.06	30 June 2025	500,000
John Anderson	Non-Executive Chairman	500,000	\$0.06	30 June 2025	500,000
Ross Moller	Non-Executive Director	500,000	\$0.06	30 June 2025	500,000
Robyn Watts	Non-Executive Director	500,000	\$0.06	30 June 2025	500,000
TOTAL		2,500,000			2,500,000

The New Options are granted for no consideration (\$0 per New Option) and therefore no funds will be raised by the grant of the New Options. The exercise price of the New Options (A\$0.06 per New Option) will not be, or be based on, the volume weighted average market price or closing market price at the time of the exercise. The total capital raised by the full exercise of the New Options is A\$150,000.

The New Options will be issued immediately upon approval by the Shareholders and no later than 30 November 2022.

Presently, there are 3,550,000 options current under the Canterbury Employee Share Option Plan, and if the grant of the New Options is approved, there will be 6,050,000 unlisted options on issue under the Canterbury Employee Share Option Plan, representing 4.5% of Canterbury's issued share capital.

1,500,000 options (\$0.20 exercise price and expiring on 30/06/2024) were issued to Directors at the 2021 AGM.

The dilution effect from the exercise of the 2,500,000 New Options will be 1.75% of the expanded shares and options on issue (on the basis of 134,023,530 fully paid ordinary shares, 3,000,000 non-ESOP options on issue, and 6,050,000 ESOP options on issue).

The Company has obtained an independent report valuing the New Options. Using the Cox Ross Rubenstein (CRR) for option valuation and assuming a valuation grant date of 25 July 2022, when the closing share price was A\$0.04, the New Options have an indicative value of approximately A\$0.01 each.

Therefore, the value of the New Options proposed to be granted to Directors, on the basis of the following assumptions, is shown in the table below."

	Total	Grant Craighead	Michael Erceg	John Anderson	Ross Moller	Robyn Watts
Value of Underlying Stock	\$ 0.0440	\$0.0440	\$0.0440	\$0.0440	\$0.0440	\$0.0440
Exercise Price	\$ 0.0600	\$0.0600	\$0.0600	\$0.0600	\$0.0600	\$0.0600
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Volatility (per Year)	61.31%	61.31%	61.31%	61.31%	61.31%	61.31%
Risk free rate	2.66%	2.66%	2.66%	2.66%	2.66%	2.66%
Maturity	30/06/2025	30/06/2025	30/06/2025	30/06/2025	30/06/2025	30/06/2025
Pricing Date	25/07/2022	25/07/2022	25/07/2022	25/07/2022	25/07/2022	25/07/2022
Price of Option	\$ 0.0146	\$0.0146	\$0.0146	\$0.0146	\$0.0146	\$0.0146
Number of Options Granted	2,500,000	500,000	500,000	500,000	500,000	500,000
Options Value	\$ 36,536.61	\$7,307.32	\$7,307.32	\$7,307.32	\$7,307.32	\$7,307.32

No loans will be made by the Company in connection with the grant or the exercise of the New Options.

All Directors are eligible to participate in the Canterbury Employee Share Option Plan. No Director will participate in an issue under the Canterbury Employee Share Option Plan unless shareholders in general meeting approve that specific issue. It is proposed that the Options be granted in recognition of and in consideration for the contribution to the Company by Directors during the financial year ended 30 June 2022 and the ongoing responsibility that they assume for the affairs of the Company.

As of today, the Directors held the following securities in the Company, either directly or indirectly:

Director	Fully paid ordinary shares*	Options issued under ESOP
Grant Craighead	9,586,534	Options expiring 30/06/2023 – 150,000 Options expiring 30/06/2024 – 300,000
John Anderson	6,645,023	Options expiring 30/06/2023 – 150,000 Options expiring 30/06/2024 – 300,000
Ross Moller	2,604,500	Options expiring 30/06/2023 – 150,000 Options expiring 30/06/2024 – 300,000
Michael Erceg	1,382,250	Options expiring 30/06/2023 – 150,000 Options expiring 30/06/2024 – 300,000
Robyn Watts	175,000	Options expiring 30/06/2023 – 150,000 Options expiring 30/06/2024 – 300,000

*not issued under the ESOP.

And have the following remuneration package (other than the New Options and previously granted options):

Director	Total Remuneration Package
Grant Craighead (Managing Director)	\$300,000 p.a. including superannuation
John Anderson	\$75,000 p.a. including superannuation
Ross Moller	\$65,000 p.a. including superannuation
Michael Erceg (Executive Director)	\$250,000 p.a. including superannuation
Robyn Watts	\$65,000 p.a. including superannuation

As of today, the following options, duly approved under and for the purposes of Listing Rule 10.14 are on issue:

Class of Options	Number	Exercise Price	Expiry Date
ESOP OPTIONS	750,000	\$0.25	30/06/2023
ESOP OPTIONS	1,500,000	\$0.20	30/06/2024

Details of any securities issued under the Canterbury Employee Share Option Plan will be published in each Annual Report of Canterbury relating to a period in which securities have been issued, together with confirmation that approval for the issue of securities was obtained under Australian Securities Exchange 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:

10.14.1 a director of the company;

10.14.2 an associate of a director of the company; or

10.14.3 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, unless it obtains the approval of its shareholders/unitholders.

The issue of the New Options falls within Listing Rule 10.14.1 above and therefore requires the approval of Canterbury's shareholders under Listing Rule 10.14.

The resolutions under Items 5(a) to 5(e) seek the required shareholder approval to the issue of the New Options under and for the purposes of Listing Rule 10.14.

If each of resolutions under Items 5(a) to 5(e) is passed, Canterbury will be able to proceed with the issue of the New Options, thus ratifying the remuneration structure recommended by the Remuneration Committee and the Directors will accordingly have the right to increase their shareholding in the Company by paying the exercise price upon the exercise of their options.

If a resolution under Items 5(a) to 5(e) is not passed, Canterbury will not be able to proceed with the issue of the New Options and the Remuneration Committee will need to propose a different remuneration structure for the Directors.

The following information is provided pursuant to ASX Listing Rules 10.15 and the Corporations Act.

Details of any options issued under the ESOP will be published in the annual report of the entity relating to the period in which they were issued, along with a statement that approval for those issues was obtained under listing rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of options under the Canterbury Employee Share Option Plan after the resolutions under Item 5 are approved and who were not named in this Notice will not participate until approval is obtained under that rule.

For the purpose of Chapter 2E of the Corporations Act 2011 (Cth), the financial benefit constituted by the grant of the New Options would be reasonable given the circumstances of the Company and of the grantees. Accordingly, the Company will not seek approval for the issue of the New Options pursuant to Chapter 2E of the Corporations Act 2001 (Cth).

For the purpose of Chapter 7 of the ASX Listing Rules, it is noted that approval of the Canterbury Employee Share Option Plan is the subject-matter of Item 4. Accordingly, subject to obtaining approval of Item 4, the Company will not seek approval for the issue of the New Options under Chapter 7.

Board recommendation:

In respect of the resolutions under Items 5(a) to 5(e), the directors make no recommendations to shareholders because of their personal interest in the subject matter of the resolutions.

Voting exclusion statement:

The Chairman of the meeting intends to vote available proxies in favour of these resolutions.

The Company will disregard any votes cast:

- (c) by each Director grantee,*
- (d) by his or her nominees and any of his or her associates; and*
- (e) by any person who is referred to in Listing Rules 10.14.1 to 10.14.3 and is entitled to participate in the Company's Share Option Plan; and*
- (f) as a proxy by a current member of Key Management Personnel, or that Key Management Personnel's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote.*

The Director grantee is:

- *For the purpose of Item 5(a): Grant Craighead*
- *For the purpose of Item 5(b): John Anderson*
- *For the purpose of Item 5(c): Ross Moller*
- *For the purpose of Item 5(d): Michael Erceg*
- *For the purpose of Item 5(e): Robyn Watts*

Closely Related Party means a spouse or child or has the meaning given in section 9 of the Corporations Act.

However, the Company need not disregard a vote if it is cast by:

- (d) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (e) 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
- (f) 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.

Item 6: Approval of additional 10% placement capacity

Under Item 6, the Company is seeking shareholder approval to create an ability to issue up to an additional 10% of the issued share capital of the Company under ASX Listing 7.1A (**10% Placement**).

Item 6 must be approved by a special resolution requiring approval of 75% of the votes cast by shareholders present and eligible to vote. The only securities that the 10% Placement can cover are ordinary fully paid shares (**Shares**).

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. Canterbury is an eligible entity for these purposes.

The resolution under Item 6 seeks shareholder approval by way of special resolution for Canterbury to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If the resolution under Item 6 is passed, Canterbury 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 the resolution under Item 6 is not passed, Canterbury will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder provided for in 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.

Formula for calculating 10% Placement Capacity

The maximum number of equity securities that may be issued by Canterbury under the 10% Placement is calculated in accordance with the following formula in Listing Rule 7.1A.2:

(A x D) – E	
A	has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity;
D	10%

E	is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4, and “relevant period” means: the 12-month period immediately preceding the date of the issue or agreement to issue.
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Placement capacity under Listing Rule 7.1 and 7.1A

The 10% Placement is in addition to a listed entity's usual 15% placement capacity under Listing Rule 7.1.

Over the last 12 months, the Company has carried out one private placement in December 2021 which resulted in the issue of 3,000,000 fully paid ordinary shares under the Company's placement capacity under Listing Rule 7.1.

As at the date of this Notice:

- the Company has 134,023,530 fully paid ordinary shares on issue.
- in addition to any other Shares which it can issue under the permitted exceptions to Listing Rules 7.1 and 7.1A, Canterbury has the capacity to issue:
 - 16,653,529 Shares under Listing Rule 7.1; and
 - 13,102,353 Shares under Listing Rule 7.1A (until 26 November 2022).

In addition to any other Shares which it can issue under the permitted exceptions to Listing Rules 7.1 and 7.1A, Canterbury will have the capacity to issue:

- 16,653,529 Shares under Listing Rule 7.1; and
- 13,102,353 Shares under Listing Rule 7.1A for 12 months after this Meeting.

The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the aforementioned formula.

Minimum issue price

In accordance with Listing Rule 7.1A, shares issued by the Company under a 10% Placement can only be issued at a cash price that is not less than 75% of the VWAP (volume weighted average price) of the shares calculated over the 15 trading days on which trades in its Shares were recorded immediately before:

- the date on which the price at which the shares are to be issued is agreed by the Company and the recipient of the shares; or
- if the shares are not issued within ten trading days of the date in paragraph (a), the date on which the shares are issued.

Placement period

Shareholder approval under Rule 7.1A is valid from the date of this AGM and expires on the first to occur of the following.

- The date that is 12 months after the date of this AGM;
- The time and date of our Company's next AGM;
- The time and date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking), or such longer period if allowed by ASX.

Shareholder approval under Listing Rule 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P/ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of the AGM.

Dilution to existing shareholdings

If the resolution under Item 6 is approved by shareholders and the Company issues Shares under the 10% Placement, there is a risk of economic and voting dilution to existing shareholders as a result. Further, as the market price of the Company's shares may be significantly lower on the issue date than on the date of Annual General Meeting approval, and because the shares may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement may raise less funding than it would if it were based on current market prices.

As required by Listing Rule 7.3A.4, the table below shows a number of hypothetical scenarios for a 10% Placement where variable "A" in the formula in Listing Rule 7.1A.2 (representing the Company's share capital) is the number of Shares at the date of this Notice, or is that number increased by either 50% or 100%, and the share price is the market price at the date of this Notice, or is that price decreased or increased by 50%.

Number of Shares on Issue	Issue price (per Share)	50% decrease on current market price	Current market price	50% increase on current market price
		\$0.02	\$0.05	\$0.07
Current = 134,023,530	10% voting dilution	13,402,353	13,402,353	13,402,353
	Funds raised	\$301,552.94	\$603,105.89	\$904,658.83
50% increase = 201,035,295	10% voting dilution	20,103,530	20,103,530	20,103,530
	Funds raised	\$452,329.41	\$904,658.83	\$1,356,988.24
100% increase = 268,047,060	10% voting dilution	26,804,706	26,804,706	26,804,706
	Funds raised	\$603,105.89	\$1,206,211.77	\$1,809,317.66

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur:

- the Company issues the maximum number of shares available under the 10% Placement;
- any increase in Variable A (being the issued share capital at the time of issue) is due to an issue of shares which is an exception in Listing Rule 7.2 (for example a pro-rata rights issue, or the exercise of options). However, a 15% placement under Listing Rule 7.1 does not increase variable "A" for the purposes of calculating the placement capacity under Listing Rule 7.1A;
- the table shows only the effect of issues of shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- the table does not show the dilution that may be caused to any particular shareholder by reason of placements under Listing Rule 7.1A, based on that shareholder's holding at the date of the AGM. For instance, shareholders will have different outcomes depending on whether or not they participate in a pro-rata issue or exercise their options, which has the effect of increasing variable "A".

Purpose of the 10% Placement

The Company may seek to issue shares under the 10% Placement for a cash issue price. In this case, the Company may use the funds for working capital or to provide the flexibility to raise additional funds to accelerate assessment of key projects if warranted, and assess and progress potential new opportunities.

Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% Placement. The identity of the allottees under the 10% Placement will be determined on a case by case basis having regard to the factors including the following:

- the methods of raising funds that are available to the Company, including a rights issue or other issue in which existing shareholders can participate;
- the effect of the issue of the shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement have not been determined as at the date of finalisation of this Notice and may include existing substantial shareholders and/or new shareholders, but the allottees cannot include any directors, related parties or associates of a related party of the Company without a further specific shareholder approval.

Previous approval

The Company has previously requested shareholder approval under Listing Rule 7.1A:

- at the AGM held in November 2020 and has issued 8,333,333 shares under Listing Rule 7.1A in August 2021, which were then ratified by the shareholders under Listing Rule 7.4 during the 2021 AGM; and
- at the AGM held in November 2021 and has not issued any shares under Listing Rule 7.1A since then.

Board Recommendation

The Directors believe that the resolution under Item 6 will provide the Company with flexibility to raise capital quickly and is in the best interests of the Company. The Directors recommend that shareholders vote in favour of this resolution.

Voting:

The Chairman of the meeting intends to vote available proxies in favour of this resolution.

Voting exclusion Statement

At the time of dispatching this Notice of Meeting, the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A.2, and hence there is no requirement for a voting exclusion statement.

Item 7: Approval of amended constitution

As part of its regular review of its operations to incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out in the table below. The amendments are proposed in order to bring the provisions of the Constitution in line with recent technological updates and will assist the Company to streamline communications with shareholders as well as utilise various electronic platforms and tools to hold and conduct shareholder meetings.

The revised Constitution remains broadly consistent with the current Constitution. Most of the changes are relatively minor or are administrative in nature and do not significantly impact on shareholders. Section 136(2) of the Corporations Act states that a company may “modify or repeal its constitution, or provision of its constitution, by special resolution”. Accordingly, this resolution is proposed as a special resolution.

Shareholders may also read the Revised Constitution (on mark-up) in its entirety on the Company’s website at <https://www.canterburyresources.com.au/about-us/corporate-governance/>.

Summary of amendments

Clause 10.3 to 10.6	Amendment in order to allow for the use of virtual meeting technology for general meetings.
Various clauses	Adapting clauses in order to allow for the use of virtual meeting technology for general meetings.
Clause 17.13	Modifying the way that written resolutions of the directors are passed, in order to have the same majority rule as for physical meetings.
Various clauses, including definitions	Made the terms generic, in order to address the reform of CHES.

Board Recommendation

The Directors recommend that shareholders vote in favour of this resolution.

Voting:

The Chairman of the meeting intends to vote available proxies in favour of this resolution.

Voting exclusion Statement

There are no exclusions with respect to this item 7.



Employee Share Option Plan

Canterbury Resources Limited

ACN 152 189 369

Rules of the Canterbury Resources Limited Employee Share Option Plan

1. Defined meanings

Words used in this document and the rules of interpretation that apply are set out and explained in the definitions and interpretation Rule at the back of this document.

2. Purpose

The Purpose of this Plan is to provide incentives to senior staff to achieve the Company's long term objectives and improve the long term performance of the Company.

The Plan is a key part of the longer term retention and incentive strategy of the Company.

The Plan recognises that the growth and profitability of the Company is heavily dependant on the retention of key senior staff.

3. Rules

This document sets out the Rules of the Company's Employee Share Option Plan.

4. Commencement of the Plan

The Plan commences on the day that approval for introduction of the Plan is first given by the Board, such date being 1 March 2013.

5. The Plan

5.1 Options

- (a) Subject to Rule 7, the Company may issue such number of Options as the Board determines and on such terms as the Board considers appropriate, until such time as the Plan is terminated.
- (b) The Options are issued for nil consideration, unless the Board resolves otherwise.
- (c) The Options are non-transferable.
- (d) There is no obligation on the Company to apply for quotation of the Options on the ASX.
- (e) Holders have no rights or entitlements to participate in dividends declared by the Company or rights to vote at meetings of the Company until that Option is exercised.
- (f) Shares allotted upon exercise of the Options will rank equally with Shares previously issued by the Company.

- (g) If shares of the same class as those allotted pursuant to the exercise of the Options granted under the Plan are listed on the ASX, the Company must apply for Official Quotation of those Shares allotted pursuant to the exercise of the Options within the time required by the Listing Rules.

5.2 Exercise Price

- (a) The Board will specify the proposed Exercise Price of each Option at the time of making an Offer to an Eligible Employee.
- (b) Without limiting the ways in which the Exercise Price may be specified in paragraph (a) above, the Exercise Price may include:
 - (i) a fixed amount;
 - (ii) the Market Price of a Share on the date the Offer is made under Rule 6.1;
 - (iii) the Market Price of a Share on the date the Options are granted;
 - (iv) the Market Price of a Share on a specified date which is after the date the Options are granted; or
 - (v) a percentage above the amount in sub paragraphs (ii), (iii) or (iv).

5.3 Eligibility

- (a) The Company may only make an Offer to an Eligible Employee.
- (b) Eligibility to participate in the Plan under Rule 5.3(a) does not confer a right to participate in the Plan.

5.4 Determination of Offers

The Board may in its absolute discretion make Offers of Options to Eligible Employees of the Group to which the Board has resolved that the Plan shall for the time being apply. In determining which Eligible Employees will receive Offers, and which Eligible Employees will not, the Board may have regard to any matters which it considers relevant, including, without limitation:

- (a) the Eligible Employee's length of service with the Group;
- (b) the seniority of the Eligible Employee within the Group;
- (c) the contribution to the Group which has been made by the Eligible Employee;
- (d) the potential contribution of the Eligible Employee to the Group;
- (e) any misconduct or wilful default by an Eligible Employee;
- (f) whether the Eligible Employee will continue to be an employee of the Group at or soon after the time of issue of the Options;
- (g) taxation implications for the Group, the Eligible Employee and/or other Eligible Employees participating in the Plan; and

- (h) securities and/or employment laws.

5.5 Deemed Eligible Employees

The Board may authorise a casual employee or consultant of the Company or of an Associated Body Corporate to participate in the Plan and such person is deemed to be an Eligible Employee for the purposes for the Plan.

5.6 Casual Employees

To qualify as a casual employee and be eligible to be deemed an Eligible Employee under Rule 5.5, a person must:

- (a) have been in employment with the Company for more than 1 year; and
- (b) be an employee whom the Company regards as equivalent to either a full-time or a part-time employee.

5.7 Consultant

To qualify as a consultant and be eligible to be deemed an Eligible Employee under Rule 5.5, a person must:

- (a) have worked for the Company for more than 1 year; and
- (b) have received 80% or more of their income in the preceding year from the Company.

5.8 Number of Options offered

The number of Options offered to an Eligible Employee is the number determined from time to time by the Board in its absolute discretion.

5.9 Liability of Eligible Employee

- (a) An Eligible Employee is not liable to make any payment to the Company in respect of Options issued to the Eligible Employee under the Plan.
- (b) No brokerage, commission, stamp duty or other transaction costs will be payable by the Eligible Employee in respect of any allotment or transfer of Options under the Plan.

5.10 Terms of issue

Options must be issued on the terms of these Rules, the Corporations Act and the Listing Rules, and any additional terms as the Board considers appropriate (not being inconsistent with these Rules) and each Eligible Employee will be taken to have agreed to be bound by:

- (a) these Rules;
 - (b) any additional terms imposed under this Rule; and
 - (c) the constitution of the Company from time to time,
- on acceptance of any Offer of Options under this Plan.

6. Offer and Acceptance

6.1 Offers

- (a) The Board may from time to time make Offers in writing to Eligible Employees inviting them to take up Options under the Plan.
- (b) Each Offer made by the Board must:
 - (i) specify the number of Options offered;
 - (ii) state the terms and conditions of the issue of the Options the subject of the Offer;
 - (iii) state the period within which the Offer may be accepted; and
 - (iv) have attached an Acceptance Form and a copy of these Rules.

6.2 Acceptance

- (a) To accept an Offer made by the Board under the Plan the Eligible Employee must send a completed Acceptance Form to the Company.
- (b) The Acceptance Form must be received by the Company within the period for acceptance of the Offer.
- (c) The Eligible Person may also nominate in writing to the Board a nominee in whose favour the Eligible Person wishes to renounce the offer. The Board may, in its absolute discretion, resolve to allow, or not to allow such renunciation of an Offer in favour of this nominee, without giving any reason for such decision.

The Board may renounce an Offer to an Eligible Employee in accordance with this subrule (c) in favour of an Offer to the nominee ("**Permitted Nominee**") and the Permitted Nominee may accept the whole or any lesser number of Options offered by notice in writing to the Board.

- (d) If Options are issued to a Permitted Nominee of an Eligible Person, the Eligible Person and the Permitted Nominee will be taken to have agreed to be bound by these Rules and the Eligible Person must, without limiting any provision in these Rules, ensure that the Permitted Nominee complies with these Rules.

6.3 Effect of Acceptance

An Acceptance Form does not create a binding contract to grant Options. After acceptance of a completed Acceptance Form, the Board may in its absolute discretion determine:

- (a) not to grant the Options specified in the Offer; or
- (b) grant Options which differ in number or their terms from that specified in the Offer.

7. Restriction on Offer of Options

The Board shall not Offer or issue Options to any Eligible Employee in accordance with the Plan if at the time of the proposed Offer:

- (a) the total number of Shares which might be issued pursuant to the exercise of Options to be issued under the proposed Offer;
- (b) the total number of Shares the subject of Options which are both unexercised and unexpired; and
- (c) the total number of Shares issued as a result of the exercise of Options during the previous 5 years,

would exceed 10% of the total number of Shares on issue.

8. Cessation of employment

8.1 Lapse of Options

Any Options issued pursuant to the Plan will be allotted on the condition that the whole of the Options issued to an Eligible Employee automatically lapse and are forfeited:

- (a) 30 days after the date on which that Eligible Employee voluntarily resigns from employment with the Company otherwise than to take up employment with a Related Body Corporate of the Company; or
- (b) immediately, if that Eligible Employee is dismissed from employment with the Company for any one or more of the following reasons:
 - (i) wilful misconduct bringing disrepute on the Company or a Related Body Corporate;
 - (ii) repeated disobedience, after prior written warning;
 - (iii) incompetence in the performance of any duties for which the Eligible Employee was employed, after prior written warning;
 - (iv) fraud or any other dishonesty in respect of the property or affairs of the Company or a Related Body Corporate; or
 - (v) any other reason, based on which the Board believes it is fair and reasonable that the Options lapse and are forfeited.

8.2 Exceptions

- (a) Options issued to an Eligible Employee will not lapse and be forfeited where an Eligible Employee ceases employment with the Company in the following circumstances:
 - (i) death or total permanent disability (as that term is recognised by Statute);
 - (ii) retirement; or

- (iii) any other circumstances on the basis of which the Board believes it is fair and reasonable that the Eligible Employee retains his or her right to exercise the Options.
- (b) Should an Eligible Employee, in the opinion of the Board, satisfy the requirements of Rule 8.2(a) the Eligible Employee, or if the Eligible Employee dies, the Eligible Employee's legal personal representative, will have a period of 6 months to exercise the Option from the date the Company receives notice of the specified event and acknowledges in writing that such event satisfies the requirements of Rule 8.2(a).

9. Taxation

Neither the Company nor its Directors, officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Eligible Employees.

10. Listing Rules

10.1 Listing Rules generally

The terms and conditions of the Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Plan and the Listing Rules then the Listing Rules will prevail.

10.2 New Issues

Subject to the Listing Rules (where relevant), a Holder may only participate in respect of an Option in a new issue of Shares or other securities to holders of Shares if the Option has been exercised in accordance with its terms on or before the Record Date for determining entitlements to the issue.

10.3 Adjustment for pro-rata issues

Subject to the Listing Rules, if there is a pro rata issue which has been offered to all ordinary shareholders on a pro rata basis (except a bonus issue), the Option Exercise Price will be adjusted in accordance with the Listing Rules.

10.4 Adjustment for bonus issues

If, during the life of any Option, Shares are issued pro rata to the Company's shareholders for which no consideration is payable by those shareholders, the Holder will be entitled, upon later exercise of that Option, to receive in addition to the Share comprised in the Option an issue of so many additional Shares as would have been issued to a shareholder who, on the Record Date for determining entitlements under the bonus issue, held Shares equal in number to the Shares comprised in the Option exercised.

10.5 Reconstruction event

In the event of any reconstruction (including consolidation, sub-division, reduction, capital return, buy back or cancellation) of the share capital of the Company, the number of Options to which each participant in the Plan is entitled and/or the Exercise Price of those Options must be reconstructed in accordance with the Listing Rules. Options must be reconstructed in a manner

which will not result in any additional benefits being conferred on Holders which are not conferred on other security holders of the Company.

11. Exercise of Options

11.1 Offer

Unless the Board, when granting an Option, in its absolute discretion determines otherwise, the terms of this Rule are included in the Offer as terms on which the Options are granted.

11.2 Exercise Period

- (a) The Options lapse immediately after the Expiry Date has passed.
- (b) For the avoidance of doubt, Options may be exercised:
 - (i) during a Bid Period; or
 - (ii) at any time after a Change of Control Event has occurred; or
 - (iii) on an application under section 411 of the Corporations Act, if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company.

12. Administration of the Plan

12.1 Administration

The Plan will be administered by the Board in accordance with these Rules. The Board may make regulations for the operation of the Plan which are consistent with these Rules.

12.2 Powers of the Board

- (a) Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests or for the benefit of the Company, and the Board is not, in exercising that power or discretion, under any fiduciary or other obligation to any other person.
- (b) Any power or discretion which is conferred on the Board by these Rules may be delegated by the Board for such period and on such conditions as the Board may determine to a committee or any one or more persons, who need not be or include Directors.
- (c) Every exercise of discretion by the Board (or its delegate) and every decision of the Board as to the interpretation, effect or application of these Rules is final, conclusive and binding.

13. Rights of Participants

Nothing in these Rules:

- (a) confers on any employee the right to receive any Options;
- (b) confers on any employee the right to continue as an employee of the Group;
- (c) affects any rights which any corporation in the Group may have to terminate the employment of any employee; or
- (d) may be used to increase damages in any action brought against any corporation in the Group in respect of the termination of the employment of any employee of any corporation in the Group.

14. Amendment of these Rules

14.1 Amendment

Subject to Rules 14.2 and 14.3, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 14).

14.2 Restrictions on amendment

No amendment of the provisions of these Rules is to reduce the rights of any Eligible Employee in respect of Options issued to the Eligible Employee under the Plan prior to the date of the amendment, other than an amendment introduced primarily:

- (a) for the purposes of complying with or conforming to present or future laws governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable contributions or other amounts paid by a member of the Group in respect of the Plan to qualify as tax deductions for that entity;
- (d) to enable the Eligible Employee or their employer to reduce the amount of tax or impost that may otherwise be payable by the Eligible Employee or their employer in relation to the Plan, including under the *Fringe Benefits Tax Assessment Act 1986* and the *Income Tax Assessment Acts* of 1936 and 1997, or any other similar legislation in any jurisdiction outside Australia;
- (e) for the purpose of enabling the Eligible Employees generally (but not necessarily each Eligible Employee) to receive a more favourable taxation treatment in respect of their participation in the Plan; or
- (f) to enable the Company to comply with the Corporations Act or the Listing Rules or any similar legislation or requirements in any jurisdiction outside Australia.

14.3 Listing Rules

Any amendment of these Rules must be made in accordance with and in the manner stipulated (if any) by the Listing Rules.

14.4 Retrospective effect of amendment

Subject to the provisions of this Rule 14, any amendment made under Rule 14.1 may be given retrospective effect, as specified in the written instrument or resolution by which the amendment is made.

15. Termination of Plan

- (a) The Plan may be terminated at any time or suspended for any period by resolution of the Board and notification thereof to the ASX.
- (b) Termination or suspension of the Plan does not affect the rights of the Holders of unexpired Options previously granted under the Plan and these Rules will continue to apply to those options until the Options lapse or is exercised.

16. Register of Option Holders

The required information in relation to all Options must be entered in the Register of Option Holders maintained by the Company under sections 168 and 170 of the Corporations Act.

17. Notices

Any notice regarding Options issued under the Plan will be sent to the address of the Holder as recorded in the register of members maintained by the Company or the Share Registry.

18. Governing Law

The Plan is governed by, and is to be construed and take effect in accordance with, the laws of New South Wales.

19. Definitions and interpretation

- 19.1 In these Rules, the following words and expressions have the meanings indicated unless a contrary intention appears:

Acceptance Form means a form to accept Offers in the form annexed to these Rules at Annexure A with any amendment or modification determined from time to time by the Board;

Associated Body Corporate of the Company means:

- (a) A body corporate that is a related body corporate of the Company;
- (b) A body corporate that has voting power in the Company of not less than 20%; or

- (c) A body corporate in which the Company has voting power of not less than 20%.

ASX means the Australian Stock Exchange Limited (ACN 008 624 691);

Bid Period has the meaning given to that term in section 9 of the Corporations Act;

Board means all or some of the Directors acting as a board of the Company;

Change of Control Event means a shareholder, or a group of associated shareholders, becoming entitled to more than 20% of the issued shares in the Company;

Company means Canterbury Resources Limited (ACN 152 189 369);

Corporations Act means the *Corporations Act* 2001;

Director means a director of the Company;

Eligible Employee means a person who is at the time of the Offer, a full or part-time employee or director of the Company or of an Associated Body Corporate and any person deemed to be an Eligible Person under Rule 5.5;

Employee Share Option Plan means the Plan;

Exchange means the ASX in its role as the national stock exchange;

Exercise Price means the price determined by the Board under Rule 5.2;

Expiry Date means the date [5] calendar years after the date of issue of the Options in question or such earlier date as the Board may determine in its absolute discretion;

Group means the Company and its Associated Bodies Corporate;

Holder means the holder of an Option issued under the Plan;

Listing Rules means the official listing rules of the Exchange;

Market Price means, in relation to a particular date, the weighted average market price per Share (weighted by reference to volume) during five consecutive trading days on the ASX ending on the day before the particular date;

Offer means an offer in writing made by the Board to an Eligible Employee to take up Options under the Plan made in accordance with Rule 6;

Official Quotation has the meaning given to that term in the Listing Rules;

Option means an option to subscribe for a Share issued in accordance with the Rules;

Permitted Nominee has the meaning given to that term in Rule 6.2(c).

Plan means the Canterbury Resources Limited Employee Share Option Plan established in accordance with the Rules;

Record Date has the meaning given to that term in the Listing Rules;

Related Body Corporate has the same meaning as that given to it in the Corporations Act;

Register of Option Holders means the register referred to in Rule 16;

Rules means the rules of the Canterbury Resources Ltd Employee Share Option Plan; and

Share means a fully paid ordinary share in the Company;

Statute means any Act of Parliament of either the State of New South Wales or the Commonwealth of Australia; and

Takeover Period has the meaning given to it in Rule 11.4(a).

19.2 In these Rules, unless the context otherwise requires:

- (a) rule and sub-rule headings are for reference purposes only;
- (b) the singular includes the plural and vice versa;
- (c) words denoting any gender include all genders;
- (d) reference to a person includes any other entity recognised by law and vice versa;
- (e) where a word or phrase is defined its other grammatical forms have a corresponding meaning;
- (f) any reference to a party to this document includes its successors and permitted assigns;
- (g) any reference to any agreement or document includes that agreement or document as amended at any time;
- (h) the use of the word **includes** or **including** is not to be taken as limiting the meaning of the words preceding it;
- (i) the expression **at any time** includes reference to past, present and future time and the performance of any action from time to time;
- (j) an agreement, representation or warranty on the part of two or more persons binds them jointly and severally;
- (k) an agreement, representation or warranty on the part of two or more persons is for the benefit of them jointly and severally;
- (l) reference to an exhibit, annexure, attachment or schedule is a reference to the corresponding exhibit, annexure, attachment or schedule in this document;
- (m) reference to a provision described, prefaced or qualified by the name, heading or caption of a rule, subrule, paragraph, schedule, item, annexure, exhibit or attachment in this document means a cross

reference to that rule, subrule, paragraph, schedule, item, annexure, exhibit or attachment;

- (n) when a thing is required to be done or money required to be paid under this document on a day which is not a Business Day, the thing must be done and the money paid on the immediately preceding Business Day; and
- (o) reference to a statute includes all regulations and amendments to that statute and any statute passed in substitution for that statute or incorporating any of its provisions to the extent that they are incorporated;
- (p) a reference to a Listing Rule includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of that Listing Rule; and
- (q) a reference to a person includes a reference to the person's executors, administrators and successors, a legal personal representative, a firm or a body corporate.

Annexure A - Acceptance Form

Canterbury Resources Limited
ACN 152 189 369 (Company)**Employee Share Option Plan****Application for Options**

I _____ of _____

hereby apply for _____ Options with an issue price of \$nil to subscribe for an equal number of Shares in the capital of the Company at an exercise price of \$ _____ per Share.

Optional: In accepting this offer, I formally request the Board of Canterbury Resources Limited to approve that the ownership of these Options is renounced in favour of my nominee [name of Nominee].

I agree that upon issue of those Options I [we] shall hold those Options and deal with them only in accordance with the terms and conditions of the Employee Share Option Plan of the Company (a copy of the Rules of the Plan are attached), subject to and in accordance with the constitution of the Company.

Dated this _____ day of _____ 20 ____

Signed: _____

Name: _____

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **10.30am (Sydney time) on Wednesday, 23 November 2022**, 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

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>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

AUTOMIC

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution(s) 1 and 3 – 4e (except where I/we have indicated a different voting intention below) even though Resolution(s) 1 and 3 – 4e are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
2. Remuneration Report	☐	☐	☐	5c. Approval of Grant of Options to Director Ross Moller	☐	☐	☐
3. Election of Director – Mr Ross Moller	☐	☐	☐	5d. Approval of Grant of Options to Director Michael Erceg	☐	☐	☐
4. Approval of Employee Stock Option Plan	☐	☐	☐	5e. Approval of Grant of Options to Director Robyn Watts	☐	☐	☐
5a. Approval of Grant of Options to Managing Director Grant Craighead	☐	☐	☐	6. Approval of additional 10% placement capacity	☐	☐	☐
5b. Approval of Grant of Options to Chairman John Anderson	☐	☐	☐	7. Approval of amended constitution	☐	☐	☐

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

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		Date (DD/MM/YY)

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

[HolderNumber] CBY

[HolderNumber]