

FYI RESOURCES LIMITED

ACN 061 289 218

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

**For the Annual General Meeting to be held on
17 December 2021 at
1:00pm (Western Standard Time) at**

**HLB Mann Judd Boardroom
Level 4, 130 Stirling Street
Perth, Western Australia**

Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

Shareholders are urged to vote by lodging the Proxy Form

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of FYI Resources Limited will be held at:

HLB Mann Judd Boardroom
Level 4, 130 Stirling Street
Perth WA 6000

Commencing
at 1:00pm (Western Standard Time)
On Friday, 17 December 2021.

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 1:00pm (Western Standard Time). Given the current COVID-19 pandemic, Shareholders are urged to vote by proxy.

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice as soon as possible and either deliver the proxy form by post, in person, by facsimile or by email in accordance with instructions on the proxy form. You may also submit your proxy vote online in accordance with instructions on the proxy form.

Your proxy form must be received not later than 48 hours before the commencement of the Meeting.

Voting and Proxies

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. The Chairman of the Meeting will vote undirected proxies in favour of all Resolutions.
In relation to Resolutions 1, 7 and 8 the proxy form expressly authorises the Chairman to exercise the proxy even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by a Director, any member of the Key Management Personnel or any of their Closely Related Parties (who are not the Chairman of the Meeting) will not be voted on Resolutions 1, 7 and 8.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 15 December 2021 at 5:00pm (Western Standard Time).
5. If using the proxy form, please complete, sign and return it to the Company's registered office in accordance with the instructions on that form. Voting online is available.

FYI RESOURCES LIMITED
ACN 061 289 218

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of FYI Resources Limited will be held at HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth, Western Australia on Friday, 17 December at 1:00pm (WST) for the purpose of transacting the following business.

Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

Annual Financial Report

To receive and consider the Annual Report of the Company and its controlled entities together with the Directors' Report, Directors' Declaration and the Independent Audit Report for the year ended 30 June 2021.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

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

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

Voting Exclusion: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

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

However, the voter may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 - Re-election of Director – Mr Adrian Jessup

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

"That, for the purposes of rule 7.3 of the Constitution and for all other purposes, Mr Adrian Jessup, a Director of the Company, retires by rotation and being eligible for re-election, is re-elected as a Director of the Company."

Resolution 3 – Re-election of Director – Dr Sandy Chong

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

"That, for the purposes of rule 7.3(f) of the Constitution and for all other purposes, Dr Sandy Chong, a Director of the Company, retires and being eligible for re-election, is re-elected as a Director of the Company."

Resolution 4 – Approval of Additional 10% Capacity

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

"That, the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A."

Resolution 5 – Ratification of GEM Global Share Placement Under Listing Rule 7.1

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

"That, the issue of 9,300,000 Shares to GEM Global Yield LLC SCS under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of GEM Global Yield LLC SCS or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution 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.

Resolution 6 – Ratification of Share Issue to S3 Consortium Under Listing Rule 7.1

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

"That, the issue of 875,000 Shares to S3 Consortium Pty Ltd under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of S3 Consortium Pty Ltd or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance

- (b) 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.

Resolution 7 – Approval to Issue Options to Dr Sandy Chong

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

"That, subject to the passing of Resolution 3, the issue up to 500,000 Options to Dr Sandy Chong or her nominee is approved under and for the purposes of Listing Rule 10.11 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Sandy Chong and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution 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.

Restriction on proxy voting by Key Management Personnel or Closely Related Parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel for the Company; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Where the chair is the related party the subject of the Resolution or is an associate of the related party, the chair cannot cast undirected proxies in respect of the Resolution

Resolution 8 – Approval to Issue Performance Rights to Mr Roland Hill

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

"That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Performance Rights to Mr Roland Hill or his nominee, to be issued on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Roland Hill and any other person who will obtain a material benefit as a result of the issue of the securities

(except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution 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.

Restriction on proxy voting by Key Management Personnel or Closely Related Parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel for the Company; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Where the chair is the related party the subject of the Resolution or is an associate of the related party, the chair cannot cast undirected proxies in respect of the Resolution.

By order of the Board



Phillip MacLeod
Company Secretary
Dated: 8 November 2021

FYI RESOURCES LIMITED
ACN 061 289 218

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. Shareholders may view the Company annual financial report on its website at www.fyiresources.com.au.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 30 June 2021;
- (b) ask questions and make comment on the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report;
- (d) ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; and
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

2.2 Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill

Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

2.3 Previous voting results

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

2.4 Proxy voting restrictions

Pursuant to the Corporations Act, if you appoint a member of the Key Management Personnel (other than the Chair) or any Closely Related Party as your proxy to vote on this Resolution 1, ***you must direct the proxy how they are to vote***. Where you do not direct such a person on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

If you appoint the Chair as your proxy, and you do not direct the Chair on how to vote on this Resolution 1, then by signing and returning the proxy form you are giving express authorisation for the Chair to vote all undirected proxies **FOR Resolution 1** even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ADRIAN JESSUP

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being (rounded down to the nearest whole number) shall retire from office and that a Director that so retires is eligible for re-election. Additionally, Listing Rule 14.4 provides that a Director must retire from office no later than the longer of the third annual general meeting of the Company or 3 years following that Director's last election or appointment. The retirement rules do not apply to the managing director.

Pursuant to rule 7.3 of the Company's Constitution and Listing Rule 14.4, Mr Jessup, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Jessup was appointed a director of the Company on 30 November 2009 and was last re-elected as a director on 27 November 2018.

Mr Jessup holds a Bachelor of Science degree (with honours) in economic geology from the University of Sydney and has more than 40 years continuous experience as a geologist, company director and consultant involved in mineral exploration, ore deposit evaluation and mining. He is a member of AusIMM, the Geological Society of Australia and the Australian Institute of Geoscientists.

For the last 18 years, Mr Jessup has operated a geological consulting company. During that time, he was a founding director of publicly listed companies Empire Resources Limited and Sylvania Resources Limited. He was also a director of two mineral exploration companies based in southern Africa that were subsequently acquired by United Kingdom listed public companies. Prior to commencing consulting, Mr Jessup was managing director of Giralia Resources NL for eight years, from the company's inception in 1987. Previously, he had worked for AMAX Exploration Inc., as a senior geologist and as regional manager in charge of that company's mineral exploration in Western Australia.

Mr Jessup is a Non-Executive Director of the Company. The Board considers that Mr Jessup is an independent Director.

The Directors (apart from Mr Jessup) recommend that Shareholders vote in favour of the re-election of Mr Jessup.

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR – DR SANDY CHONG

This Resolution deals with the re-election of Dr Sandy Chong to the Board of the Company. Dr Chong was appointed a Director of the Company on 12 August 2021.

Rule 7.2(b) of the Constitution gives the Directors authority to appoint other Directors provided that the total number of Directors does not exceed the maximum specified by the Constitution. Rule

7.3(f) states any Director appointed under Rule 7.2(b) must retire at the next annual general meeting of Members and is eligible for re-election.

Accordingly, Dr Chong resigns as a Director at this Meeting and being eligible seeks approval to be re-elected as a Director.

Dr Chong's career experience includes being a Harvard Alumna, winner of the 2020 Executive of the Year for the US Stevie® International Business Awards, and 2016 Singapore Management Consultant of the Year. Dr Chong brings significant experience in leadership roles in the ESG domain. She founded and chaired the United Nations Association Sustainable Development Goals forums series in WA, and has served on industry councils, non-profit boards and is an Adjunct Professor for Curtin University of Technology. Dr Chong has advised government trade agencies in Australia and Singapore, corporations and businesses in international market and communication strategies.

Dr Chong has published peer-reviewed journals in Sustainability and Corporate Social Responsibility (CSR) since 2005 and is an active contributor in international trade and economic empowerment for women and youth. Dr Chong was awarded Australia Community Citizen of the Year in 2020 and was named Asia's Top Sustainability Women of the Year award in 2019 for her contributions both in Australia and abroad. Dr Chong has over 15 years of communications, strategic alliance, philanthropy, ESG and CSR experience.

Dr Chong is a Non-Executive Director of the Company and the Board considers that Dr Chong is an independent Director.

The Directors (apart from Dr Chong) recommend that Shareholders vote in favour of the re-election of Dr Chong.

5. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% CAPACITY

5.1 General

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

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. The Company is an eligible entity for these purposes.

This Resolution seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit in issuing equity securities without shareholder approval set out in Listing Rule 7.1.

5.2 Information for Shareholders as required by Listing Rule 7.3A

(i) Period for which approval is valid

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (b) The time and date of the Company's next annual general meeting.
- (c) The time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

(ii) Minimum price at which equity securities may be issued

Any equity securities issued under Listing Rule 7.1A must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- (b) if the securities are not issued within 10 Trading Days of the date in paragraph (a), the date on which the securities are issued.

(iii) Purposes for which funds raised may be used

Equity securities can only be issued under Listing Rule 7.1A for a cash consideration. Funds raised by the issue of equity securities under Listing Rule 7.1A may be used for the continued development of the Company's current assets, the acquisition of new assets or other investments (including expenses associated with such acquisition), and for general working capital.

(iv) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the equity securities in that class may be significantly lower on the issue date than on the date of the Shareholder approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The table below shows the potential dilution of existing Shareholders on the basis of 3 different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2. This includes one example that assumes that "A" is double the number of Shares on issue at the time of the approval under Listing Rule 7.1A and that the price of Shares has fallen by 50%.

Number of Shares on Issue (Variable "A" in Listing Rule 7.1A.2)	Number of Shares issued under additional 10% capacity	Dilution		
		Funds raised based on issue price of 18.75 cents	Funds raised based on issue price of 37.5 cents	Funds raised based on issue price of 75 cents
		(50% decrease in current issue price)	(Current issue price)	(100% increase in current issue price)
365,867,589 (Current)*	36,586,758	\$6,860,017	\$13,720,034	\$27,440,069
548,801,383 (50% increase)	54,880,138	\$10,290,026	\$20,580,052	\$41,160,104
731,735,178 (100% increase)	73,173,518	\$13,720,035	\$27,440,069	\$54,880,138

*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 has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 4 November 2021.
2. The issue price set out above is the closing price of the Shares on the ASX on 4 November 2021.
3. The Company issues the maximum number of equity securities available under the additional 10% capacity.
4. No Options are exercised into Shares before the date of the issue of the equity securities.

(v) Allocation Policy

The Company's allocation policy for the issue of equity securities under the additional 10% capacity will depend on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing security holders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The allottees under the additional 10% capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company and may include new investors who have not previously been Shareholders.

(vi) Equity securities issued under Listing Rule 7.1A.2 in the previous 12 months

The Company has not issued or agreed to issue any equity securities under Listing Rule 7.1A.2 in the 12 months preceding this Meeting.

(vii) Voting Exclusion Statement

As at the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing shareholder's votes will be excluded and there is no voting exclusion statement.

6. RESOLUTION 5 – RATIFICATION OF GEM GLOBAL SHARE PLACEMENT UNDER LISTING RULE 7.1

6.1 General

In February 2021, the Company completed a capital raising of \$3.13 million through the issue of 9,300,000 Shares at a price of 33.67 cents per Share (GEM Global Placement) to GEM Global Yield LLC SCS (GEM Global). The GEM Global Placement was undertaken pursuant to the terms of the capital commitment/equity funding facility of up to \$80 million with GEM Global and GEM Yield Bahamas Ltd (GEM Agreement). The capital facility by the GEM Agreement was the subject of an announcement to ASX on 11 March 2020. The material terms of the GEM Agreement are set out in Schedule 1. The proceeds from the raising were used to advance the Company's high purity alumina project, costs of the capital facility under the GEM Agreement and costs of the issue. The Company undertook the GEM Global Placement by relying on its placement capacity under Listing Rule 7.1.

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.

The Company undertook the GEM Global Placement by relying on its placement capacity under Listing Rule 7.1 as the GEM Global Placement did not fall within any of the exceptions to Listing Rules 7.1.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities without shareholder approval for such issues under Listing Rules 7.1.

To this end, this Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the GEM Global Placement Shares.

If this Resolution is passed, the 9,300,000 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If this Resolution is not passed, the 9,300,000 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

6.2 Information required by Listing Rule 7.5

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

- (a) the Shares were issued to GEM Global. GEM Global is not a related party of the Company;
- (b) 9,300,000 Shares were issued in the GEM Global Placement;
- (c) the Shares were fully paid ordinary shares issued on the same terms and conditions as the Company's existing Shares on issue;
- (d) the Shares were issued on 15 February 2021;
- (e) the Shares were issued at a price of 33.67 cents per Share;
- (f) the purpose of the issue was to raise funds to be used as set out in Section 6.1 above;
- (g) the Shares were issued pursuant to the terms of the GEM Agreement. A summary of the material terms of the GEM Agreement is set out in Schedule 1; and
- (h) a voting exclusion statement is included in the Notice.

7. RESOLUTION 6 – RATIFICATION OF SHARE ISSUE TO S3 CONSORTIUM UNDER LISTING RULE 7.1

7.1 General

On 27 July 2021, the Company announced to ASX the issue of 875,000 Shares for no cash cost as consideration for the provision of investor relations and digital marketing services for a total value of \$325,000. 375,000 Shares were therefore issued at a deemed price of 20 cents each and 500,000 Shares issued at a deemed price of 50 cents each to S3 Consortium Pty Ltd (S3) under contracts for sponsored content and digital marketing campaigns. The Company undertook the issue of the 875,000 Shares by relying on its placement capacity under Listing Rule 7.1.

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.

The Company undertook the issue to S3 by relying on its placement capacity under Listing Rule 7.1 as the issue did not fall within any of the exceptions to Listing Rules 7.1.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities without shareholder approval for such issues under Listing Rules 7.1.

To this end, this Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 875,000 Shares to S3.

If this Resolution is passed, the 875,000 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If this Resolution is not passed, the 875,000 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

7.2 Information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) the Shares were issued to S3. S3 is not a related party of the Company;
- (b) 875,000 Shares were issued;
- (c) the Shares were fully paid ordinary shares issued on the same terms and conditions as the Company's existing Shares on issue;
- (d) the Shares were issued on 15 February 2021;
- (e) 375,000 Shares were issued at a deemed price of 20 cents per Share and 500,000 were issued at a deemed price of 50 cents per Share;
- (f) the Shares were issued as consideration for the provision of investor relations and digital marketing services for a total value of \$325,000;
- (g) the Shares were issued pursuant to the terms of marketing mandate and campaign proposals whereby S3, through its business StocksDigital, would provide sponsored content and digital marketing services to the value of \$325,000 for a period of up to 9 months and where the remuneration payable by the Company was Shares at respective deemed prices of 20 cents and 50 cents; and
- (h) a voting exclusion statement is included in the Notice.

8. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO DR SANDY CHONG

8.1 General

Dr Sandy Chong was appointed as a Non-Executive Director of the Company on 12 August 2021. The skills and experience that Dr Chong brings to the Board are set out in Section 4 above.

This Resolution seeks Shareholder approval so that the Company may issue Options as an incentive to Dr Chong. The approval to issue Options to Dr Chong is conditional on her re-election as a Director (Resolution 3).

Shareholder approval is required for the purposes of Chapter 2E of the Corporations Act (section 208) and Listing Rule 10.11 because Dr Sandy Chong, as a Director, is a related party of the Company. Each of Chapter 2E and Listing Rule 10.11 are dealt with separately below.

8.2 Chapter 2E of the Corporations Act - Related Party Transaction

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Dr Sandy Chong as a Director is a related party of the Company.

The issue of Options to a related party is a financial benefit requiring shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

- (a) *The related party to whom the resolutions would permit the financial benefit to be given*

The related party Dr Sandy Chong or her nominees.

- (b) *The nature of the financial benefit*

The nature of the financial benefit is the issue of up to 500,000 Options.

The Options will have an exercise price of 140% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting and an expiry date of 2 years after the date of the Meeting. The full terms of the Options are set out in Schedule 2.

- (c) *Reasons for giving the benefit and Directors' Recommendation*

The purpose of the issue of the Options is to incentivise Dr Chong to provide ongoing dedicated services and provide remuneration linked to the performance of the Company. The benefit will only be received from the Options upon the Company's Share price exceeding the exercise price of the Options and thereby warranting their exercise.

Under the Company's current circumstances, the Directors consider that the incentive, represented by the issue of these Options, is a cost effective and efficient reward and incentive to be provided to Dr Chong by the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation. In addition, the Directors independent of Dr Chong consider it prudent to make payment by way of the Options so as to preserve the cash reserves of the Company.

The Directors other than Dr Chong consider that the particular number of Options together with the terms of the Options constitutes an appropriate number to adequately incentivise Dr Chong in light of her skill and experience and their current remuneration as detailed below.

The Company acknowledges that the issue of the Options to Dr Sandy Chong as non-executive directors may be contrary to guidelines for non-executive director remuneration in the ASX Corporate Governance Principles and Recommendations, 4th Edition suggesting that non-executive directors should not receive performance based remuneration. However, the Board considers the issue of the Options to be reasonable in the circumstances given the Company's size and stage of development and the importance of maintaining the Company's cash reserves.

The independent Directors recommend that Shareholders vote in favour of the Resolution.

Dr Sandy Chong abstains from making a recommendation as a Director to Shareholders on as she has a material personal interest in the outcome as the recipient of the Options.

(d) *Dilution*

The passing of this Resolution would have the effect of issuing up to a total of 500,000 Options.

If any of the Options are exercised into Shares, the effect will be to dilute the shareholding of existing Shareholders. If all the 500,000 Options were exercised into Shares, the effect would be to dilute the shareholding of the existing Shareholders by approximately 0.14% based on the total number of Shares on issue at the date of this Notice of 365,867,589.

(e) *Current total remuneration package*

The current remuneration received by Dr Sandy Chong is \$50,000 per year director's fee (plus statutory superannuation if applicable) as a Non-Executive Director.

(f) *Existing relevant interests*

As at the date of this Notice, Dr Sandy Chong does not have a relevant interest in any securities of the Company.

(g) *Trading history*

The following table gives details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months.

	Closing Price	Date
Highest Price	88.5 cents	30 & 31 August 2021
Lowest Price	16 cents	9 November 2020
Latest Price	40.5 cents	8 November 2021

(h) *Valuation of Options*

The Company has valued the Options to be issued by reference to the Black and Scholes valuation model.

The following assumptions have been made regarding the inputs required for the model:

	Input	Note
Number of Options	500,000	
Underlying share spot price	37.5 cents	1
Exercise Price	assumed 52.5 cents	2
Dividend rate	Nil	3
Risk free rate	0.56%	4
Expected future volatility	100%	5
Life of the Options	2 years	6

Note 1: The underlying Share spot price used for the purpose of the valuation is based on the closing Share price of 37.5 cents on 4 November 2021.

Note 2: The exercise price is 140% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting. The example uses 52.5 cents being 140% of the underlying Share spot price of 37.5 cents.

Note 3: No dividends are expected to be paid during the life of the Options.

Note 4: The risk free rate is based on the Commonwealth Government 2 year bond rate of 0.56% at 4 November 2021.

Note 5: The expected future volatility was calculated from the Company's historical trading volatility over 1 and 2 year periods.

Note 6: The life of the Options has been assumed to be 2 years.

Based on the above assumptions, the 500,000 Options have been valued 16.6 cents each (\$83,000).

(i) *Other information*

The Directors do not consider that there are opportunity costs to the Company or benefits foregone by the Company in issuing the Options.

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass the Resolutions.

8.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of the Options falls within Listing Rule 10.11.1 (as Dr Sandy Chong is a Director of the Company) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

This Resolution seeks the required Shareholder approval to the issue of the Options under and for the purposes of Listing Rule 10.11.

If the Resolution is passed, the Company will be able to proceed with the issue.

If the Resolution is not passed, the Company will not be able to proceed with the issue and this incentive will not be issued to the Director. No other replacement incentive is currently proposed.

8.4 Listing Rule 10.13

For Shareholders to approve the issue of the Options under and for the purposes of Listing Rule 10.11, the following information is provided to Shareholders in accordance with Listing Rule 10.13:

- (a) The securities will be issued to Dr Sandy Chong or her nominees.
- (b) Dr Sandy Chong is a Director and is therefore a related party (Listing Rule 10.11.1).
- (c) The number of securities the Company will issue is up to 500,000 Options.
- (d) The securities to be issued are Options with an exercise price being 140% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting and an expiry date of 2 years after the date of the Meeting. The full terms of the Options are set out in Schedule 2.
- (e) The securities will be issued no later than 1 month after the date of the Meeting (or a later date to the extent permitted by any ASX waiver or notification of the Listing Rules).
- (f) The Options will be issued for no consideration and there is no issue price.

- (g) The purpose of the issue is to issue Options to incentivise and remunerate the Director in performing her role and the issue of the Options is considered an appropriate incentive in the circumstances of the Company. No funds will be raised from the issue of the Options.
- (h) The current total remuneration package of Dr Sandy Chong is set out in Section 8.2(e) above.
- (i) The Options to be issued to Dr Sandy Chong under this Resolution are to be issued as an incentive under the terms of her non-executive director engagement agreement. Other than the remuneration referred to above, the other material terms of her engagement is she is engaged as a non-executive director subject to the rights of Shareholders and she must perform this role in accordance with applicable laws. Otherwise, the terms of the engagement is on standard commercial terms for a non-executive director.

9. RESOLUTION 8 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO ROLAND HILL

9.1 General

The Board consists of Edmund Babington (Non-Executive Chairman), Roland Hill (Managing Director), David Sargeant (Non-Executive Director), Adrian Jessup (Non-Executive Director) and Dr Sandy Chong (Non-Executive Director).

This Resolution seeks Shareholder approval so that the Company may issue Performance Rights as an incentive to Roland Hill.

Shareholder approval is required for the purposes of Chapter 2E of the Corporations Act (section 208) and Listing Rule 10.11 because Roland Hill as a Director is a related party of the Company. Each of Chapter 2E and Listing Rule 10.11 are dealt with separately below.

9.2 Chapter 2E of the Corporations Act - Related Party Transaction

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Roland Hill as a director is a related party of the Company.

The issue of Performance Rights to a related party is a financial benefit requiring shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

- (a) *The related party to whom the resolution would permit the financial benefit to be given*

The related party is Roland Hill or his nominees.

- (b) *The nature of the financial benefit*

The proposed financial benefit to be given is the issue of up to 2,000,000 Performance Rights. There are 2 classes of Performance Rights being up to 1,000,000 Class A Performance Rights and up to 1,000,000 Class B Performance Rights.

The terms of the Performance Rights including the service and performance conditions are set out in Schedule 3.

(c) *Reasons and basis for giving the benefit and Directors recommendation*

The purpose of the issue of each of the Performance Rights is to incentivise Roland Hill to continue to provide ongoing dedicated services to the Company and provide remuneration linked to the performance of the Company. The benefit of the Performance Rights will only be received upon the relevant service and performance conditions being satisfied.

Under the Company's current circumstances, the Directors consider that the issue of the Performance Rights is a cost effective and efficient reward and incentive to be provided to Roland Hill by the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation. In addition, the Directors independent of Roland Hill consider it prudent to make payment by way of the Performance Rights so as to preserve the cash reserves of the Company.

The Directors independent of Roland Hill (being the 4 other Directors that are not the subject of this Resolution) consider that the particular number and terms of the Performance Rights to be issued to Roland Hill constitutes an appropriate number to adequately reward and incentivise him in the circumstances in light of his effort, skill and experience and when considered together with his other remuneration as a Director as detailed below.

The Directors independent of Roland Hill in each case recommend that Shareholders vote in favour of the Resolution.

Roland Hill abstains from making a recommendation to Shareholders on this Resolution as he has a material personal interest in the outcome as the recipient of the Performance Rights.

(d) *Dilution*

The passing of the Resolution would have the effect of issuing Roland Hill (or his nominees) a total of 2,000,000 Performance Rights.

If any of the Performance Rights vest into Shares, the effect will be to dilute the shareholding of existing Shareholders. If all of the Performance Rights vest, 2,000,000 Shares will be issued, and the effect would be to dilute the shareholding of the existing Shareholders by approximately 0.54% (based on the total number of Shares that will be on issue at the date of this Notice of 365,867,589 Shares).

(e) *Current total remuneration package*

The current remuneration package received by Roland Hill is \$360,000 per annum.

(f) *Existing relevant interest*

At the date of this Notice, Roland Hill has a relevant interest in securities of the Company as follows.

Shares	Options (33.6 cent exercise price and 27 November 2022 expiry)
16,861,632	750,000

(g) *Trading history*

The following table gives details of the highest, lowest and the latest closing market price of the Company's Shares trading on the ASX over the last 12 months.

	Closing price	Date
Highest price	88.5 cents	30 & 31 August 2021

Lowest price	16 cents	9 November 2020
Latest price	40.5 cents	8 November 2021

(h) *Valuation of the Performance Rights*

The Company's advisers, RSM Australia Pty Ltd, has valued the Performance Rights to be issued to Roland Hill.

Class A Performance Rights

In determining the fair value of the Class A Performance Rights, each of the performance/vesting condition and the service condition is a non-market condition and is therefore not reflected in the assessment of fair value. The Class A Performance Rights are therefore valued at the underlying Share spot price of the Company at the valuation date of 3 November 2021.

This spot price is 37.5 cents.

Class B Performance Rights

The Class B Performance Rights have been valued using the Hoadley Trading & Investment Tools Barrier 1 and Parisian Barrier valuation models. The service condition is a non-market condition and is therefore not reflected in the assessment of fair value.

The following assumptions have been made regarding the inputs required for the valuation model:

Input	Class B Performance Rights	Note
Number of Performance Rights	1,000,000	
Underlying Share spot price	37.5 cents	1
Dividend rate	Nil	2
Exercise Price	Nil	3
Barrier Price	82 cents	4
Risk free rate	0.95%	5
Expected future volatility	100%	6
Expiry Date	30 October 2024	7
Performance condition	Yes	8

Note 1: The underlying Share spot price used for the purpose of the valuation is based on the closing Share price of 37.5 cents on 4 November 2021.

Note 2: No dividends are expected to be paid during the life of the Performance Rights.

Note 3: There is no exercise price.

Note 4: The barrier price is calculated as 82 cents being the price per Share to achieve a market capitalisation of \$300,000,000 based on the existing number of Shares of 365,867,590.

Note 5: The risk free rate is based on the yields of Commonwealth Government bonds using

a 3 year bond rate of 0.95% at 4 November 2021.

Note 6: The expected future volatility was calculated from the Company's historical trading volatility over 1, 2 and 3 year periods.

Note 7: The Performance Rights expire on 30 October 2024.

Note 8: The performance condition for the Performance Rights is set out in Schedule 3.

Based on the above assumptions, the Performance Rights have been valued as follows:

	Class A Performance Rights	Class B Performance Rights
Roland Hill	1,000,000 Performance Rights – 37.5 cents each (\$375,000 total)	1,000,000 Performance Rights – 31.05 cents each (\$310,500 total)

(i) *Other information*

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass the Resolution.

9.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of the Performance Rights falls within Listing Rule 10.11.1 (as Roland Hill is a Director of the Company) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

This Resolution seeks the required Shareholder approval to the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

If the Resolution is passed, the Company will be able to proceed with the issue of the Performance Rights.

If the Resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights and these incentives will not be issued to Roland Hill. No other replacement incentive is currently proposed.

9.4 Listing Rule 10.13

For Shareholders to approve the issue of the Performance Rights under and for the purposes of Listing Rule 10.11, the following information is provided to Shareholders in accordance with Listing Rule 10.13:

- (a) The securities will be issued to Roland Hill or his nominees.
- (b) Roland Hill is a Director and is therefore a related party (Listing Rule 10.11.1).
- (c) The number of securities the Company will issue is up to 2,000,000 Performance Rights.
- (d) The securities to be issued are Performance Rights, the terms of which are set out in Schedule 3.
- (e) The securities will be issued no later than 1 month after the date of the Meeting (or a later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (f) The Performance Rights will be issued for no consideration and there is no issue price.
- (g) The purpose of the issue is to issue Performance Rights to incentivise and remunerate Roland Hill in performing his role as Managing Director and the issue of these incentive securities is considered an appropriate incentive in the circumstances of the Company. No funds will be raised from the issue of the Performance Rights.
- (h) The current total remuneration package of Roland Hill is set out in Section 9.2(e) above.
- (i) The Performance Rights to be issued to Roland Hill are to be issued as an incentive under the terms of the consulting agreement with Capstone Capital Pty Ltd and Roland Hill by which Capstone Capital Pty Ltd procures Roland Hill to provide the services as Managing Director. Other than the remuneration referred to above, the other material terms of the consulting agreement are the agreement is for 3 years from 1 July 2021 to 30 June 2024 and either Capstone Capital Pty Ltd or the Company may terminate the agreement without cause on 3 month's notice and otherwise either party can terminate the engagement upon limited events akin to misconduct and incapacity. Otherwise, the terms of the engagement is on standard commercial terms.

10. ENQUIRIES

Shareholders may contact Phil MacLeod on (+ 61 8) 6313 3920 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

"Annual General Meeting and Meeting" means the meeting convened by this Notice.

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means the ASX Limited (ABN 98 008 624 691).

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

"Auditor's Report" means the Auditor's report on the Financial Report.

"Board" means the Board of Directors of the Company.

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

"Chairman" or **"Chair"** means the chairman of the Company.

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

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

"Company" or **"FYI Resources"** means FYI Resources Ltd (ACN 061 289 218).

"Constitution" or **"Existing Constitution"** means the constitution of the Company.

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

"Directors" mean the directors of the Company from time to time.

"Directors' Report" means the annual Directors' Report prepared under Chapter 2M of the Corporations Act for the Company.

"Employee Incentive Plan" means the FYI Resources Employee Incentive Plan approved by Shareholders at the 2020 annual general meeting.

"equity securities" has the same meaning as in the Listing Rules.

"Explanatory Statement" means this Explanatory Statement.

"Financial Report" means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company.

"GEM Agreement" means the capital commitment agreement between the Company, GEM Global Yield Fund LLC SCS and GEM Yield Bahamas Ltd, the material terms of which are set out in Schedule 2.

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

"Notice" means the notice of meeting that accompanies this Explanatory Statement.

"Option" means an option to acquire a Share.

"Optionholder" means a holder of an Option.

"Performance Right" means a right to acquire a Share subject to the satisfaction of applicable vesting conditions.

"Proxy Form" means the proxy form accompanying the Notice.

"Resolution" means a resolution referred to in the Notice.

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

"Shareholder" means a registered holder of shares in the Company.

"Trading Day" has the same meaning as in the Listing Rules.

"WST" or **"Western Standard Time"** means Western Standard Time, Perth, Western Australia.

"\$" means Australian dollars unless otherwise stated.

**Schedule 1 – Summary of material terms of GEM Agreement
(Resolution 5)**

By the GEM Agreement of 6 March 2020, GEM Global Yield LLC SCS (GEM Global) provides a capital commitment facility to the Company under which the Company may during a 3 year Commitment Period (ending 5 March 2023) require GEM Global to subscribe for a number of Shares not exceeding A\$80,000,000. The material terms of the facility are set out below.

(Capital Calls)	The Company may at any time during the 3 year Commitment Period, make a capital call for any of the available commitment by a capital call notice provided that such a notice must not be given 15 trading days after an existing capital call notice or if a capital call would be unlawful (including 20% takeover threshold limitations) or in breach of the Listing Rules (including placement capacity limitations). There are various conditions that must be satisfied in respect of each capital call including relating to the Company's good standing and relating to ability to use the facility.						
(Capital Call Limits)	The Company cannot require GEM Global to subscribe for Shares more than the number under the formula: Capital Call Limit = 1000% x 15 day average trading volume of Shares prior to the capital call date.						
(Pricing of Subscription)	Where GEM is required to subscribe for Shares, it must do so at a purchase or subscription price equal to the higher of: (a) 90% of the average VWAP during the 15 trading days after GEM Global receives a capital call notice; and (b) a minimum fixed price nominated by the Company in a capital call notice.						
(Adjustments)	Adjustments may be made to the purchase or subscription price including where a suspension of trading occurs or an event occurs which has or is likely to have a material adverse effect.						
(Participation Rights for 12 months)	Where the Company undertakes any equity capital raising within 12 months after the agreement (until 5 March 2021), GEM Global may elect to participate in up to 15% of the equity raising.						
(Representations and Warranties)	The Agreement contains certain standard representations and warranties by the Company to GEM Global.						
(Placement Agreement)	The Company must pay GEM Yield Bahamas Ltd a placement agreement fee of A\$1,600,000 as follows: <table border="0"> <thead> <tr> <th><u>Payment Date</u></th><th><u>Amount payable</u></th></tr> </thead> <tbody> <tr> <td>(a) Closing date of capital call</td><td>15% of the gross proceeds that the Company receives or is entitled to receive from any capital call notice.</td></tr> <tr> <td>(b) The earliest of 12 months after the date of the agreement, the date a material change in ownership occurs and an insolvency style event.</td><td>All of the unpaid amount of the placement agreement fee.</td></tr> </tbody> </table>	<u>Payment Date</u>	<u>Amount payable</u>	(a) Closing date of capital call	15% of the gross proceeds that the Company receives or is entitled to receive from any capital call notice.	(b) The earliest of 12 months after the date of the agreement, the date a material change in ownership occurs and an insolvency style event.	All of the unpaid amount of the placement agreement fee.
<u>Payment Date</u>	<u>Amount payable</u>						
(a) Closing date of capital call	15% of the gross proceeds that the Company receives or is entitled to receive from any capital call notice.						
(b) The earliest of 12 months after the date of the agreement, the date a material change in ownership occurs and an insolvency style event.	All of the unpaid amount of the placement agreement fee.						

	The Company may elect to satisfy all or part of its payment of the placement agreement fee by issuing Shares at 95% of the average VWAP during the 15 trading days preceding the date for payment.
(Consideration Options)	In consideration of GEM entering into the agreement, the Company must issue to GEM or its nominee: (a) 23,000,000 Options on the date of the agreement; and (b) 23,700,000 Options within 45 days after the first Shareholder meeting of the Company after the date of the agreement. The Options will have an exercise price of 15 cents and an expiry date of 5 March 2024.
(Termination)	GEM may terminate the agreement if an event of default (being certain standard style events of default) occurs and, in such a circumstance, any unpaid placement agreement fee is payable.

SCHEDULE 2

TERMS OF OPTIONS (RESOLUTION 7)

1. Each Option entitles the holder to one Share.
2. The Options are exercisable at any time prior to 5.00 pm Western Standard Time on the date 2 years after the date of the Meeting ("Expiry Date"). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The exercise price of the Options is 140% of the volume weighted average price for the 5 days on which Shares trade prior to the date of the Meeting.
4. The Options will not be listed on ASX and may only be transferred with the consent of the Board of the Company.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date ("Exercise Date").
6. Within 15 Business Days after the later of the following:
 - (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,but in any case no later than 20 Business Days after the Exercise Date, the Company will:
 - (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
 - (iv) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
7. Shares issued on the exercise of the Options rank equally with the then issued Shares.
8. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Optionholders the opportunity (where Options have vested, if applicable) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
9. If there is a bonus issue ("Bonus Issue") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

SCHEDULE 3**TERMS OF PERFORMANCE RIGHTS TO DIRECTOR (RESOLUTION 8)**

Class of Performance Rights	Service Condition	Performance condition
Class A Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until the performance condition is satisfied subject to good leaver conditions as summarised in the Employee Incentive Plan.	(a) On or before 31 January 2023, the Company and Alcoa of Australia Limited (Alcoa) approve the construction of the Demonstration Plant contemplated in the Term Sheet dated 1 October 2021 made between the Company and Alcoa; or (b) On or before 31 January 2023, a Takeover Event* occurs.
Class B Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until the performance condition is satisfied subject to good leaver conditions as summarised in the Employee Incentive Plan.	(a) On or before 30 October 2024, the Company achieves a market capitalisation (Share price x Shares on issue) of at least \$300,000,000** for a continuous period of 20 Trading Days on which the Shares have actually traded; or (b) On or before 30 October 2024, a Takeover Event* occurs.

* “Takeover Event” means a takeover bid for the Company pursuant to Chapter 6 of the Corporations Act where the bidder achieves control of more than 50% of the ordinary shares or a court grants an order approving a compromise or scheme where the ordinary shares are either cancelled or transferred to a third party (not being a scheme of arrangement simply for the purposes of a corporate restructure).

** The market capitalisation of the Company is based upon the number of Shares issued as at the date of this Notice (365,867,589 Shares). If the number of Shares issued increases after the date of this Notice, the amount stated of \$300,000,000 is increased pro-rata to the Shares issued.

The other terms of the Performance Rights will be:

- (a) (Conversion) Upon satisfaction of the relevant performance condition and service condition, each Performance Right will, at the election of the holder, vest and convert into one Share.
- (b) (No Consideration payable) No consideration will be payable upon the vesting and conversion of the Performance Rights.
- (c) (No Voting rights) A Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.
- (d) (No dividend rights) A Performance Right does not entitle a holder to any dividends.
- (e) (No rights on winding up) A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) (Not transferable) A Performance Right is not transferable.
- (g) (Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.
- (h) (Quotation of Shares on conversion) An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules. The Company will not apply for quotation of the Performance Rights on ASX.
- (i) (No participation in entitlements and bonus issues) A Performance Right does not entitle a holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (j) (No other rights) A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (k) (Lapse) If the performance condition relevant to a Performance Right has not been satisfied by the relevant expiry date, then the Performance Rights will automatically lapse.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **1.00pm (WST) on Wednesday, 15 December 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

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

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

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



SUBMIT YOUR PROXY VOTE BY PAPER

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Contact	Return your completed form		All enquiries to Automic
	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

STEP 1: Appoint Your Proxy	Complete and return this form as instructed only if you do not vote online I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of FYI Resources Limited, to be held at 1.00pm (WST) on Friday, 17 December 2021 at HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth, Western Australia hereby:
	Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman 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.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. 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.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
 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 Resolutions 1, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain
	1. Adoption of Remuneration Report	☐	☐	☐
	2. Re-election of Director – Mr Adrian Jessup	☐	☐	☐
	3. Re-election of Director – Dr Sandy Chong	☐	☐	☐
	4. Approval of Additional 10% Capacity	☐	☐	☐
	5. Ratification of GEM Global Share Placement Under Listing Rule 7.1	☐	☐	☐
	6. Ratification of Share Issue to S3 Consortium Under Listing Rule 7.1	☐	☐	☐
	7. Approval to Issue Options to Dr Sandy Chong	☐	☐	☐
	8. Approval to Issue Performance Rights to Mr Roland Hill	☐	☐	☐
	<i>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.</i>			

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	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).			