



OAKDALE RESOURCES LIMITED

ACN 009 118 861

Notice of General Meeting

**The General Meeting of the Company will be held at
32 Harrogate Street, West Leederville, Western Australia 6007
on Thursday, 30 July 2020 at 10 am (WST).**

**DUE TO THE ONGOING COVID-19 PANDEMIC, THE COMPANY IS TAKING
PRECAUTIONS TO FACILITATE AN IN PERSON MEETING IN ACCORDANCE WITH
COVID-19 RESTRICTIONS. IF THE SITUATION IN RELATION TO COVID-19 CHANGES
IN A WAY AFFECTING THE ABILITY TO FACILITATE AN IN PERSON MEETING AS
CURRENTLY PROPOSED, THE COMPANY WILL PROVIDE A FURTHER UPDATE
AHEAD OF THE MEETING BY WAY OF AN ANNOUNCEMENT ON THE ASX MARKET
ANNOUNCEMENTS PLATFORM.**

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the
Company Secretary by telephone on (08) 6117 4797.**

Shareholders are urged to vote by lodging the proxy form attached to the Notice

Oakdale Resources Limited
ACN 009 118 861
(Company)

Notice of General Meeting

Notice is hereby given that the general meeting of Shareholders of Oakdale Resources Limited will be held at 32 Harrogate Street, West Leederville, Western Australia 6007 on Thursday, 30 July 2020 at 10am (WST) (**Meeting**).

Due to the ongoing COVID-19 pandemic and strict limitations 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 were to change 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. Please refer to the Explanatory Memorandum attached to the Notice for further details.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 28 July 2020 at 5.00pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Resolution 1 – Approval to issue Consideration Shares

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

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of the following Shares to the Vendors (or their respective nominees):

- (a) *35,000,000 Initial Consideration Shares;*
- (b) *27,000,000 Tranche 1 Deferred Consideration Shares; and*
- (c) *27,000,000 Tranche 2 Deferred Consideration Shares,*

on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Vendors (or their respective nominees) and any person who will obtain a material benefit as a

result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

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

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

2 **Resolution 2 - Ratification of prior issue of Placement Shares**

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

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the following issues of Shares at \$0.002 per Share:

- (a) *14,872,668 Placement Shares under Listing Rule 7.1; and*
- (b) *55,292,018 Placement Shares under Listing Rule 7.1A,*

on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of any person who participated in the issue of the Shares or is a counterparty to the agreement being approved, or any of their respective associates.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

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

3 **Resolution 3 - Approval to issue Placement Options**

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

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 35,082,343 Placement Options on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

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

4 **Resolution 4 - Ratification of prior issues of Conversion Shares**

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

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) 18,633,540 Shares issued on 30 March 2020;
 - (b) 18,181,818 Shares issued on 3 April 2020; and
 - (c) 31,250,000 Shares issued on 15 April 2020,
- on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of any person who participated in the issue of the Shares or is a counterparty to the agreement being approved, or any of their respective associates.

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

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

5 Resolution 5 - Approval to issue Conversion Shares

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

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 200,000,000 Shares upon conversion of the Convertible Notes on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Noteholders, or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

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

6 **Resolution 6 – Replacement of Constitution**

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

'That, pursuant to and in accordance with section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form of the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting.'

7 **Resolution 7 – Approval of Incentive Plan**

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

"That, pursuant to and in accordance with Listing Rule 7.2 (exception 13(b)) and for all other purposes, the Company approves the adoption of the employee incentive scheme of the Company known as the "Oakdale Resources Limited Incentive Rights Plan" and the issue of Securities under that plan, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.

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 the directions given to the proxy or attorney to vote on the Resolution in that way; or

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

Voting Prohibition Statement

In accordance with section 250BD of the Corporations Act, a person appointed as a 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; 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8 Resolution 8 – Approval of Non-Executive Director Deferred Rights Plan

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

“That, for the purposes of Listing Rule 7.2 (exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme of the Company known as the “Non-Executive Director Deferred Rights Plan” and for the issue of Securities under that plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.

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

Voting Prohibition Statement

In accordance with section 250BD of the Corporations Act, a person appointed as a 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; 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD

Christopher Gale
Executive Chairman
Oakdale Resources Limited
Dated: 24 June 2020

Oakdale Resources Limited
ACN 009 118 861
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia 6007 on Thursday, 30 July 2020 at 10am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Background to the Acquisition of Australian Precious Minerals Pty Ltd
Section 4	Resolution 1 – Approval to issue Consideration Shares
Section 5	Resolution 2 - Ratification of prior issue of Placement Shares
Section 6	Resolution 3 - Approval to issue Placement Options
Section 7	Resolution 4 - Ratification of prior issues of Conversion Shares
Section 8	Resolution 5 - Approval to issue Conversion Shares
Section 9	Resolution 6 – Replacement of Constitution
Section 10	Resolution 7 – Approval of Incentive Plan
Section 11	Resolution 8 – Approval of Non-Executive Director Deferred Rights Plan
Schedule 1	Definitions
Schedule 2	Terms and conditions of Placement Options
Schedule 3	Summary of Incentive Rights Plan
Schedule 4	Terms and conditions of the Non-Executive Director Deferred Rights Plan

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

2.2 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

2.3 Voting by Proxy

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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

Proxy Forms can be lodged:

Online:	At investor.automic.com.au
By mail:	Share Registry – Automic Group Pty Ltd, GPO Box 5193, Sydney NSW 2001
By fax:	02 8583 3040 (within Australia) +61 2 8583 3040 (outside Australia)
By mobile:	investor.automic.com.au Or scan the QR Code available on the proxy form.

Custodian voting: For Intermediary Online subscribers only
(custodians) please visit investor.automic.com.au to
submit your voting intentions.

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 7 and 8 by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3. Background to the Acquisition of Australian Precious Minerals Pty Ltd

3.1 General

On 28 April 2020, the Company announced it had entered into a binding acquisition agreement (**Agreement**) with Australian Precious Minerals Pty Ltd (**APM**) and Bull Equities Pty Ltd and Saba Nominees Pty Ltd, the shareholders of APM (**Vendors**) to acquire 100% of APM (**Acquisition**). APM is the holder of the Crown PGE-Nickel-Copper Project (**Project**) held within the application for exploration license E70/5460 (**Tenement**) and located within the Yilgarn Craton, approximately 70km north east of Perth, Western Australia.

Upon completion of the Agreement, the Company will acquire a 100% interest in the Project.

3.2 Summary of key terms of the Agreement

(a) Consideration

The consideration payable by the Company to the Vendors (or their respective nominees) for the Acquisition is the issue of up to a total of 89 million Shares (subject to Shareholder approval) (**Consideration Shares**), as follows:

- (iii) 35,000,000 Shares upon receipt of Shareholder approval (**Initial Consideration Shares**);
- (iv) 27,000,000 Shares upon the grant of the Tenement application (**Tranche 1 Deferred Consideration Shares**); and
- (v) 27,000,000 Shares upon the grant of drilling program approval by the WA Mines Department (**Tranche 2 Deferred Consideration Shares**).

The Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares are collectively referred to in this Notice as the **Deferred Consideration Shares**.

The Company has also agreed to reimburse APM for all costs and expenses incurred by APM and the Vendors incurred in connection with the Acquisition, together with all reasonable ongoing costs in connection with the Tenement, up to a maximum of \$10,000 excluding GST.

(b) Condition Precedent

Completion of the Acquisition (**Completion**) is subject to the satisfaction (or waiver) of the following outstanding conditions precedent:

- (i) execution of the formal documentation (including the share sale agreement entered into between the Company and each Vendor) by 5 June 2020 (or such later date as may be agreed);
- (ii) the Tenement is not withdrawn, declined or rejected by the relevant statutory body or challenged on the basis of validity or unenforceability before or as at Completion;
- (iii) receipt of any approval or waiver required by, or to be given by, ASIC, ASX, any third parties or governmental authorities in connection with the Acquisition having been obtained on terms reasonably satisfactory to the Company within 60 days of the date of the Agreement or such later date as may be agreed between the parties in writing;
- (iv) the Company obtaining all necessary Shareholder approvals under the Corporations Act, Listing Rules or otherwise in connection with the Acquisition, including for the issue of the Consideration Shares, within 60 days of the date of the Agreement or such later date as may be agreed between the parties in writing; and
- (v) there being no event occurring prior to the date of the Completion which materially and adversely affects the Tenement and/or APM unenforceability before or as at Completion.

If the formal documentation referred to in Section 3.2(b)(i) is not entered into or the requirement is not waived, either party may terminate the Agreement by giving not less than 14 days' written notice to the other party and upon termination taking effect no party has any obligation to proceed with the Acquisition.

The parties will act reasonably to extend the satisfaction dates of any conditions precedent as necessary to accommodate delays experienced in the course of the Acquisition. Completion of the Acquisition is due to occur on the date that is two Business Days after the Meeting.

(c) Capital Raising

Under the Agreement, the parties acknowledged that the Company intends to conduct a capital raising to occur prior to or concurrently with the completion of the Acquisition. As set out in the Company's announcement dated 28 April 2020, the Company intends to raise capital by way of:

- (i) a placement to sophisticated and professional investors to raise \$140,329 (**Placement**) through the issue of 70,164,686 Shares at an issue price of \$0.002 each (**Placement Shares**), together with one free-attaching quoted Option (**Placement Options**) for every two Placement Shares subscribed for and issued to sophisticated and professional investors (**Placement Participants**); and

- (ii) a non-renounceable entitlement offer (1 for 1 offer) to raise up to approximately \$1.4 million on the same terms as the Placement (**Entitlement Offer**).

On 28 April 2020, the Company issued a total of 70,164,686 Placement Shares to Placement Participants using the Company's placement capacity under Listing Rules 7.1 and 7.1A to raise \$140,329 (before costs). The Company is seeking Shareholder approval to ratify the issue of the Placement Shares pursuant to Resolution 2 and Shareholder approval to issue the Placement Options pursuant to Resolution 3.

- (d) Other terms and conditions

The Agreement contains additional provisions, representation and warranties considered standard for agreements of this nature.

3.3 Proposed capital structure

The pro forma capital structure at Completion of the Acquisition and following the issue of the Deferred Consideration Shares is set out below:

	Shares	Quoted Options ¹	Convertible Notes ²
Existing ³	701,150,220	160,709,817	280,000
Entitlement Offer	701,150,220	350,575,110	-
Initial Consideration Shares (Resolution 1)	35,000,000	-	-
Placement Options (Resolution 3)	-	35,082,343	-
TOTAL⁴	1,437,300,440	546,367,270	280,000
Tranche 1 Deferred Consideration Shares (Resolution 1) ⁵	27,000,000	-	-
Tranche 2 Deferred Consideration Shares (Resolution 1) ⁶	27,000,000	-	-
TOTAL⁴	1,491,300,440	546,367,270	280,000

Notes:

1. All quoted Options are exercisable at \$0.04 each on or before on 31 December 2021.
2. The unsecured Convertible Notes on issue are convertible to Shares at the election of the Noteholder at a conversion price of 80% of the 5-day VWAP prior to the date a conversion notice is provided to the Company. The Convertible Notes have a face value of \$1.00 each and a maturity date of 31 July 2020. Refer to Section 7.1 below for further details regarding the terms and conditions of the Convertible Notes.

3. Existing Shares on issue include the Placement Shares and Conversion Shares the subject of Resolutions 4 and 2.
4. Subject to rounding and assuming the Entitlement Offer is fully subscribed, and no further Equity Securities or Convertible Notes are issued, exercised or converted to Shares. Up to a further 200,000,000 Shares may be issued upon the conversion of the existing Convertible Notes (refer to Resolution 5).
5. The Tranche 1 Deferred Consideration Shares will be issued upon the grant of the Tenement application.
6. The Tranche 2 Deferred Consideration Shares will be issued upon the grant of drilling program approval by the WA Mines Department.

Upon completion of the Acquisition and based on the assumptions set out above, the indicative dilutive effect of the issue of the Deferred Consideration Shares would be 3.62%.

4. Resolution 1 – Approval to issue Consideration Shares

4.1 General

Refer to Section 3 for details regarding the acquisition of APM.

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Consideration Shares to the Vendors (or their respective nominees).

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

4.2 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The proposed issue of Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and pursuant to the Agreement, the Company has agreed that the issue of the Consideration Shares is subject to Shareholder approval.

The effect of Resolution 1 will be to allow the Company to issue the Consideration Shares during the period of 3 months after the Meeting or a longer period, if allowed by ASX (refer to Section 4.3(d) below), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to issue the Consideration Shares and proceed to completion of the Acquisition. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed to issue the Consideration Shares and the Company will not acquire APM and the Project under the current terms of the Agreement.

4.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Shares:

- (a) the Consideration Shares will be issued to Bull Equities Pty Ltd and Saba Nominees Pty Ltd (or their respective nominees), none of whom is a related party of the Company;
- (b) a maximum of 89,000,000 Shares are to be issued as Consideration Shares as follows:
 - (i) 35,000,000 Shares will be issued as Initial Consideration Shares;
 - (ii) 27,000,000 Shares will be issued as Tranche 1 Deferred Consideration Shares subject to the grant of the Tenement application; and
 - (iii) 27,000,000 Shares will be issued as Tranche 2 Deferred Consideration Shares subject to receipt of grant of the drilling program approval by the WA Department of Mines and Petroleum;
- (c) the Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the Initial Consideration Shares will be issued no later than three months after the date of the Meeting and the Deferred Consideration Shares will be issued no later than 24 months after the date of the Meeting, subject to the achievement of relevant milestones, in accordance with the waiver of Listing Rule 7.3.4 (**ASX Waiver**) granted to the Company (refer to Section 4.4 below);
- (e) the Consideration Shares will be issued for nil cash consideration as part consideration for the Acquisition;
- (f) no funds will be raised from the Consideration Shares as they will be issued for nil cash consideration;
- (g) a summary of the material terms of the Agreement is set out in Section 3.2; and
- (h) a voting exclusion statement is included in the Notice.

4.4 ASX Waiver

Listing Rule 7.3 sets out the requirements for shareholder approval under Listing Rule 7.1. In particular, Listing Rule 7.3.4 provides that the notice of meeting must (inter alia) state the date by which the entity will issue the securities and that the securities must be issued no later than three months after the date of the meeting and no later than six months if the securities are being issued under a reverse takeover. The Company applied for and received a waiver of Listing Rule 7.3.4 to permit the issue of the Deferred Consideration Shares to no later than 24 months after the date of the Meeting.

The full terms of the waiver are as follows:

- "1. Based solely on the information provided, ASX Limited ('ASX') grant Oakdale Resources Limited (the 'Company') a waiver from listing rule 7.3.4 to the extent

necessary to permit OAR in its notice of meeting ('Notice') seeking shareholder approval for the issue of deferred consideration shares (the 'Deferred Consideration Shares') to be issued upon completion of agreed performance milestones pursuant to the proposed acquisition of 100% of the issued capital of Australian Precious Metals Pty Ltd ('APM') ('Acquisition') not to state that the 27,000,000 Tranche 1 Deferred Consideration Shares and 27,000,000 Tranche 2 Consideration Shares be issued within 3 months of the date of the shareholder meeting, on the following conditions:

1.1 The Tranche 1 Deferred Consideration Shares will be issued within five business days upon the tenement application for E70/5460 being approved by the WA Mines Department, and in any event by no later than 31 July 2022;

1.2 The Tranche 2 Deferred Consideration Shares will be issued within five business days upon the drilling application for E70/5460 being approved by the WA Mines Department, and in any event by no later than 31 July 2022;

1.3 The milestones which must be satisfied for Tranche 1 Deferred Consideration Shares and the Tranche 2 Deferred Consideration Shares to be issued are not varied;

1.4 For any annual reporting period during which any of the Tranche 1 Deferred Consideration Shares or the Tranche 2 Deferred Consideration Shares have been issued or any of them remain to be issued, OAR's annual report sets out in detail the number of Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares issued in that annual reporting period, the number of Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares that remain to be issued and the basis on which the Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares may be issued;

1.5 In any half year or quarterly report for a period during which any of the Tranche 1 Deferred Consideration Shares or Tranche 2 Deferred Consideration Shares have been issued or remain to be issued, OAR must include a summary statement of the number of Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares issued during the reporting period, the number of Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares that remain to be issued and the basis on which the Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares may be issued; and

1.6 The Notice contains the full terms and conditions of the Tranche 1 Deferred Consideration Shares and Tranche 2 Consideration Shares as well as the conditions of this waiver.

2. *ASX has considered Listing Rule 7.3.4 only and makes no statement as to OAR's compliance with other listing rules."*

5. Resolution 2 - Ratification of prior issue of Placement Shares

5.1 General

Refer to Section 3.2(c) for details regarding the Placement.

Resolutions 2(a) and 2(b) seek the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issues of Placement Shares.

Each of the resolutions which form part of Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of each of the resolutions which form part of Resolution 2.

5.2 **Listing Rules 7.1, 7.1A and 7.4**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 28 November 2019.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies previous issues of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issues did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rules 7.1 and 7.1A, as applicable.

The issues of Placement Shares do not fit within any of the exceptions, and as they have not yet been approved by the Company's Shareholders, they effectively use up part of the aggregate 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the issue date.

The effect of Shareholders passing the resolutions which form part of Resolution 2 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 and the additional 10% annual placement capacity set out in Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

If Resolution 2(a) is not passed, those Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval to the extent of 14,872,668 Equity Securities for the 12 month period following the issue of those Placement Shares.

If Resolution 2(b) is not passed, those Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agreed to issue without obtaining prior Shareholder approval, to the extent of 55,292,018 Equity Securities, until the earlier of:

- (a) 29 November 2020;
- (b) the Company's next annual general meeting; or
- (c) the date Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

5.3 **Specific 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 the ratification of the issues of Placement Shares:

- (a) the Placement Shares were issued to Placement Participants, none of whom is a related party of the Company. The Placement Participants are sophisticated investors (pursuant to section 708) and were prospective investors already known to the Board. A representative from one of the AFSL brokers which assisted the Company with the Placement, participated in the Placement by subscribing for 8,909,701 Shares. The remaining Placement Participants are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2 and no lead manager was used to undertake the Placement;
- (b) a total of 70,164,686 Placement Shares were issued on 28 April 2020 as follows:
 - (i) 14,872,668 Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval; and
 - (ii) 55,292,018 Placement Shares were issued within the 10% limit permitted under Listing Rule 7.1A, without the need for Shareholder approval;
- (c) the Placement Shares were issued at \$0.002 per Share;
- (d) the Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (e) the proceeds from the issue of the Placement Shares are intended to be used towards the Company's exploration prospects and Peruvian project development, as well as for costs of the Placement and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

6. **Resolution 3 - Approval to issue Placement Options**

6.1 **General**

Refer to Section 3.2(c) for details regarding the Placement and the proposed issue of the quoted Placement Options.

Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to 35,082,343 free-attaching quoted Placement Options, exercisable at \$0.04 each and expiring on 31 December 2021, to the Placement Participants.

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

6.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The issue does not fall within any of these exceptions and would currently exceed the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Resolution 3 will be to allow the Company to issue the Placement Options during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Placement Options to the Placement Participants. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Placement Options under the current terms of the Placement and the Company will be required to renegotiate the terms of the Placement with the Placement Participants.

6.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Placement Options:

- (a) the Placement Options will be issued to Placement Participants, none of whom is a related party of the Company. The Placement Participants are sophisticated investors (pursuant to section 708) and were prospective investors already known to the Board. A representative from one of the AFSL brokers which assisted the Company with the Placement, participated in the Placement by subscribing for 8,909,701 Shares and therefore will, subject to Shareholder approval, be issued with 4,454,851 Placement Options. The remaining Placement Participants are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2 and no lead manager was used to undertake the Placement;
- (b) a maximum of 35,082,343 quoted Options are to be issued as Placement Options;
- (c) the Placement Options will be exercisable at \$0.04 each on or before 31 December 2021 and will otherwise be issued on the same terms and conditions as existing quoted Options of the Company, as set out in Schedule 2;
- (d) the Placement Options will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) to the Placement Participants;
- (e) the Placement Options are free-attaching to the Placement Shares issued and therefore will be issued at an issue price of nil;
- (f) no funds will be raised from the issue of the Placement Options as they are free-attaching to the Placement Shares;
- (g) the Placement Options are issued pursuant to the agreed placement terms, namely, that the Placement Participants would be issued one free-attaching quoted Option for every two Placement Shares subscribed for; and
- (h) a voting exclusion statement is included in the Notice.

7. Resolution 4 - Ratification of prior issues of Conversion Shares

7.1 General

On 15 October 2019, the Company issued 650,000 unsecured convertible notes convertible to Shares at the election of the holders, at a conversion price of 80% of the 5-day VWAP prior to the date a conversion notice is provided to the Company (**Convertible Notes** or **Note**). The Convertible Notes have a face value of \$1.00 each and were issued to the following professional and sophisticated investors, who are not related to the Company: Quid Capital Pty Ltd, Xcel Capital Pty Ltd and Sicilian Kan Pty Ltd (**Noteholders**). On 13 February 2020, the Company advised that the Noteholders had agreed to extend the maturity date of the Convertible Notes from 31 January 2020 to 31 July 2020. Refer to Appendix 3B dated 15 October 2019 and below for further details regarding the terms and conditions of the Convertible Notes.

Key terms of the Convertible Notes are as follows:

Term	Summary
Face Value	\$1.00 per note.
Security	The Notes are unsecured debt obligations of the Company.
Maturity	31 July 2020 (Maturity Date).
Quotation	The Notes will not be quoted on the ASX.
Interest	Interest (to accrue daily and be payable quarterly in arrears) will be payable on Convertible Notes at 12% per annum.
Condition Precedent to Conversion	Conversion of the notes into Shares is subject to the Company obtaining Shareholder approval (if required).
Conversion	The Noteholder may, at any time, convert a note into Shares. The Noteholder must provide the Company with written notice and the minimum aggregate value of notes to be converted is \$15,000. The conversion price will be 80% of the 5-day VWAP prior to the date on which a conversion notice was sent to the Company. The Company must procure the allotment and issue of the Shares on the next Business Day, following receipt of the Conversion Notice. A failure to do so will be deemed a default event.
Redemption	If the Notes are not converted prior to the Maturity Date, the Notes will be redeemed in full at Notes face value per note on the Maturity Date. The redemption shall be paid in cash or cheque at the Noteholder's election.

Term	Summary
Restrictions	Until all the Notes have been redeemed, the Company must not, without the prior written consent of the Noteholder: (a) issue or agree to issue any equity or debt securities or hybrid securities or agree to grant any rights over existing issued securities in the capital of the Company; or (b) vary its capital structure or reduce its share capital. A failure to comply with these provisions shall be deemed as a default.
Event of Default	On the occurrence of a default event, the Noteholder may declare the principal of all the Notes held by it and all moneys payable immediately due and payable upon written notice.

As at the date of this Notice, a total of 370,000 Convertible Notes have been converted to Shares. Resolutions 4(a), 4(b) and 4(c) seek the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the following Shares issued on conversion of Convertible Notes (**Conversion Shares**):

- (a) 18,633,540 Shares issued on 30 March 2020;
- (b) 18,181,818 Shares issued on 3 April 2020; and
- (c) 31,250,000 Shares issued on 15 April 2020.

The Company issued the above Conversion Shares within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Each of the resolutions which forms part of Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of each of the resolutions which form part of Resolution 4.

7.2 Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The issues do not fit within any of the exceptions, and as they have not yet been approved by the Company's Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

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 into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

If each of the resolutions which form part of Resolution 4 are passed, the issue 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 any of the resolutions which form part of Resolution 4 are not passed, the issue 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.

7.3 **Specific 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 the ratification of the issue of Conversion Shares:

- (a) the Conversion Shares were issued to the Noteholders, none of whom is a related party of the Company;
- (b) a total of 68,065,358 Shares were issued as follows:
 - (i) Resolution 4(a): 18,633,540 Shares issued on 30 March 2020;
 - (ii) Resolution 4(b): 18,181,818 Shares issued on 3 April 2020; and
 - (iii) Resolution 4(c): 31,250,000 Shares issued on 15 April 2020;
- (c) the Conversion Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the deemed issue price per Share was as follows:
 - (i) Resolution 4(a): \$0.00161;
 - (ii) Resolution 4(b): \$0.00165; and
 - (iii) Resolution 4(c): \$0.0016;
- (e) no funds were raised from the issue of the Conversion Shares as the Shares were issued on conversion of Convertible Notes;
- (f) a summary of the material terms of the Convertible Notes is set out in Section 7.1 above; and
- (g) a voting exclusion statement is included in the Notice.

8. **Resolution 5 - Approval to issue Conversion Shares**

8.1 **General**

Refer to Section 7.1 for details of the Convertible Notes.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the Company to issue up to 200,000,000 Shares upon the conversion of up to 280,000 Convertible Notes (**Conversion Shares**) within 3 months of the Meeting.

Resolution 5 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

8.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The proposed issue of Conversion Shares does not fit within any of the exceptions to Listing Rule 7.1. While the proposed issue may not exceed the Company's 15% annual placement capacity under Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval.

The effect of Resolution 5 will be to allow the Company to issue the Conversion Shares during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 5 is passed, the Company will be able to issue the Conversion Shares upon a convertible note holder exercising their rights to convert their Convertible Note into Shares. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will issue any Conversion Shares upon conversion of Convertible Notes using the Company's 15% annual placement capacity under Listing Rule 7.1 or otherwise be required to redeem the Convertible Notes.

8.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Conversion Shares:

- (a) the Conversion Shares will be issued to existing Noteholders in the Company, none of whom is a related party of the Company. The Noteholders are also not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2;
- (b) a maximum of 200,000,000 Shares are to be issued as Conversion Shares;
- (c) the Conversion Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the Conversion Shares will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);

- (e) the deemed issue price will be calculated at 80% of the volume weighted average market price (**VWAP**) prior to the date on which a conversion notice is sent to the Company;
- (f) the Company intends to use the funds raised from the issue of the Convertible Notes to fund the gold projects in Nevada USA from Alpine Resources (USA) Pty Ltd to progress the Company's gold processing project in Peru, as well as for general working capital. No funds will be raised from the issue of the Conversion Shares; and
- (g) a voting exclusion statement is included in the Notice.

9. Resolution 6 – Replacement of Constitution

9.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 6 seeks the approval of Shareholders to repeal the Company's existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares.

The Proposed Constitution incorporates amendments to the Corporations Act and the Listing Rules since the current Constitution was adopted in 1998. The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating references to bodies or legislation which have been renamed (eg references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- (b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary.

Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 6.

9.2 Summary of material proposed changes

(a) **Restricted Securities (article 2.7)**

ASX introduced a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX introduced a two-tier escrow regime where ASX can and will require certain more significant holders of Restricted Securities (as defined by the Listing Rules) and their controllers to execute a formal escrow agreement in the form of Appendix 9A, as is currently the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of Restricted Securities and to simply give a notice to the holder of Restricted Securities in the form of a new Appendix 9C advising them of those restrictions.

Under article 2.7 of the Proposed Constitution, holders of Restricted Securities will be taken to have agreed in writing that those Securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the applicable escrow period. Holders of Restricted Securities will also not be entitled to participate in any return of capital on those Securities during the applicable escrow period, except as permitted by the Listing Rules or ASX.

(b) **Minimum Shareholdings (article 2.6 and schedule 4)**

Articles 2.6 and schedule 4 of the Proposed Constitution outline how the Company can manage shareholdings which represent 'less than a marketable parcel' of Shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time (**Minimum Shareholding**).

The Proposed Constitution is in line with the requirements for dealing with Minimum Shareholdings outlined in the Corporations Act and Listing Rules such that where the Company elects to undertake a sale of Minimum Shareholdings, the Company is only required to give one notice to holders of Minimum Shareholdings to elect to retain their shareholding before the Minimum Shareholdings can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Schedule 4 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with Minimum Shareholdings.

(c) **Dividends (article 13)**

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (i) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;

- (ii) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (iii) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

(d) **Fee for registration of off-market transfers (article 4.4)**

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a 'reasonable fee' for registering paper-based transfers, sometimes referred to 'off-market transfers'.

Article 4.4 of the Proposed Constitution enables the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

(e) **Deemed notice to uncontactable Shareholders (article 14.5)**

Article 14.5 provides that a document will be deemed to have been served to a Shareholder if the document is exhibited in the registered office of the Company for 48 hours in the event that:

- (i) a Shareholder does not have an address in the register of Shareholders, and has not nominated an alternative address; or
- (ii) the Company reasonable believes that a Shareholder is not known at the Shareholder's address in the register of Shareholders or any alternative address provided.

(f) **Partial (proportional) takeover provisions (article 4.9 and schedule 5)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may

only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

9.3 **Information required by section 648G of the Corporations Act**

(a) **Effect of proposed proportional takeover provisions**

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

(b) **Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

(c) **Knowledge of any acquisition proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) **Potential advantages and disadvantages of proportional takeover provisions**

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium; and
- (iii) the likelihood of a proportional takeover bid succeeding may be reduced.

(e) **Recommendation of the Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 6.

10. **Resolution 7 – Approval of Incentive Plan**

10.1 **General**

The Company considers that it is desirable to adopt an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

Resolution 7 seeks Shareholders approval for the adoption of the employee incentive scheme titled "*Oakdale Resources Limited Incentive Rights Plan*" (**Plan**) in accordance with Listing Rule 7.2 (exception 13(b)).

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

10.2 **Listing Rules 7.1 and 7.2, exception 13(b)**

A summary of Listing Rule 7.1 is contained in Section 4.2.

Listing Rule 7.2 (exception 13(b)) sets out an exception to Listing Rule 7.1 which provides that issues of Equity Securities under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue:

- (a) retention rights, being rights that vest and may be exercised into restricted Shares (**Restricted Shares**), based on completion of a period of service; or
- (b) performance rights, being rights that vest and may be exercised into Restricted Shares, based on achievement of specified performance objectives, under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period,

(together, the **Incentive Rights**)

under the Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future grant of Incentive Rights under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

A material feature of the Plan is that where a tranche of Incentive Rights vest, the total value of those Incentive Rights will be paid in cash and Restricted Shares as follows:

- (a) \$1,000 per tranche that vests; and
- (b) the remainder in Restricted Shares.

The number of Restricted Shares to be issued will be determined by the following formula:

$$\text{Restricted Shares} = (A - B) / C$$

Where:

A = Number of Performance Rights or Retention Rights that vested x Share price

B = \$1,000

C = Share Price

This process is illustrated in the following table.

Rights	Number That Vested	Value at Vesting if Share Price \$0.60 (A)	Cash Payment (B)	Restricted Shares Earned A – B ÷ \$0.60
Tranche 1 - Performance Rights	100,000	\$60,000	\$1,000	98,333
Tranche 2 – Performance Right	200,000	\$120,000	\$1,000	198,333
Tranche 3 – Retention Rights	100,000	\$60,000	\$1,000	98,333
TOTAL	400,000	\$240,000	\$3,000	394,999

Any future grant of Incentive Rights under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 3. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

10.3 **Specific information required by Listing Rule 7.2, exception 13(b)**

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) the material terms of the Plan are summarised in Schedule 3;
- (b) the Plan is a new employee incentive scheme and has not previously been approved by Shareholders. No Incentive Rights have previously been issued under the Plan;
- (c) the maximum number of Incentive Rights proposed to be issued under the Plan following approval of this Resolution shall not exceed 10% of the Company's Equity Securities currently on issue, subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules. Based on the number of Equity Securities currently on issue, 10% equates to a maximum of 191,386,539 Equity Securities; and
- (d) a voting exclusion statement is included in the Notice.

11. **Resolution 8 – Approval of Non-Executive Director Deferred Rights Plan**

11.1 **General**

Resolution 8 seeks Shareholders' approval for the adoption of the "*Non-Executive Director Deferred Rights Plan*" (**NED Plan**) in accordance with Listing Rule 7.2 (exception 13(b)).

The purpose of the NED Plan is to:

- (a) control the cash cost of Directors' fees by providing part of Non-Executive Director remuneration in the form of Deferred Rights;
- (b) compensate Non-Executive Directors for the risks associated with being a director of a small capitalisation company;
- (c) assist Non-Executive Directors to accumulate a holding of Shares in the Company;
- (d) align the interests of Non-Executive Directors with those of Shareholders; and
- (e) help retain Non-Executive Directors, thereby stabilising the composition of the Board.

The Company's proposed Plan (the subject of Resolution 7), only permits full-time and permanent part-time employees to participate in the Plan. Accordingly, Shareholder approval for the NED Plan is being sought so that Non-Executive Director's may be issued Deferred Rights on similar terms and conditions of the issue of Incentive Rights to employees under the Plan.

Resolution 8 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 8.

11.2 **Listing Rules 7.1 and 7.2, exception 13(b)**

A summary of Listing Rule 7.1 is contained in Section 4.2.

Listing Rule 7.2 (exception 13(b)) sets out an exception to Listing Rule 7.1 which provides that issues of Equity Securities under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 8 is passed then the Company will be able to grant Deferred Rights to Non-Executive Directors under the NED Plan over a period of 3 years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

Any future issues of Deferred Rights under the NED Plan to a person referred to in Listing Rule 10.14 will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

11.3 Specific information required by Listing Rule 7.2, exception 13(b)

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the NED Plan:

- (a) the material terms of the NED Plan are summarised in Schedule 4;
- (b) the NED Plan is a new incentive scheme and has not previously been approved by Shareholders. No Deferred Rights have previously been issued under the NED Plan;
- (c) the maximum number of Deferred Rights proposed to be issued under the NED Plan following approval of this Resolution shall not exceed 10% of the Company's Equity Securities currently on issue, subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules. Based on the number of Equity Securities currently on issue, 10% equates to a maximum of 191,386,539 Equity Securities; and
- (d) a voting exclusion statement is included in the Notice.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$	means Australian Dollars.
Agreement	means the binding terms sheet agreement entered into between the Company, APM and the Vendors on 24 April 2020 for the acquisition of 100% of APM's issued share capital.
APM	means Australian Precious Minerals Pty Ltd ACN 639 572 259.
Article	means an article of the Constitution.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Closely Related Party	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
Company	means Oakdale Resources Limited ACN 009 118 861.
Consideration Shares	means the Initial Consideration Shares, Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares.
Constitution	means the constitution of the Company as at the date of the Meeting.
Conversion Shares	means the any Shares issued or to be issued upon conversion of the Convertible Notes.
Convertible Notes	means the 650,000 unsecured convertible notes issued to Noteholders on the terms and conditions set out in Section 7.1.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Deferred Consideration Shares	means the Tranche 1 Deferred Consideration Shares and Tranche 2 Deferred Consideration Shares.
Deferred Rights	means rights that may vest on completion of a specified period of service with the Company as a Non-Executive Director.
Director	means a director of the Company.
Equity Security	has the same meaning as in the Listing Rules.

Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Incentive Rights	means the issue of performance rights or retention rights under the Plan.
Initial Consideration Shares	means up to 35,000,000 Shares to be issued as initial consideration for the Acquisition to the Vendors (or their respective nominees) pursuant to the Agreement, which are the subject of Resolution 1.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
NED Plan	means the Company's Non-Executive Director Deferred Rights Plan, which is the subject of Resolution 8, a summary of which is set out in Schedule 4.
Noteholders	means the holders of the Convertible Notes, being Quid Capital Pty Ltd, Xcel Capital Pty Ltd and Sicilian Kan Pty Ltd.
Notice	means this notice of general meeting.
Option	means an option to acquire a Share.
Placement	has the meaning given in Section 5.1.
Placement Options	means up to 35,082,343 quoted Options to be issued as free-attaching to the Placement Shares on a 1 for 2 basis on the terms and conditions set out in Schedule 2, which are the subject of Resolution 3.
Placement Participants	means the sophisticated and professional investors who participated in the Placement.
Placement Shares	means the 70,164,686 Shares issued on 28 April 2020 to the Placement Participants under the Placement, which are the subject of Resolutions 2(a) and 2(b).
Plan	means the Company's Incentive Rights Plan, which is the subject of Resolution 7, a summary of which is set out in Schedule 3.
Proposed Constitution	means the proposed new constitution of the Company, a copy of which may be sent to Shareholders upon request to the Company Secretary, which is the subject of Resolution 6.

Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares and/or Options).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Tenement	means the application for exploration license E70/5460 in Western Australia held by APM.
Trading Day	has the meaning given in the Listing Rules.
Tranche 1 Deferred Consideration Shares	means up to 27,000,000 Shares to be issued to the Vendors (or their respective nominees) upon receiving the grant of the Tenement application, which are the subject of Resolution 1.
Tranche 2 Deferred Consideration Shares	means up to 27,000,000 Shares to be issued to the Vendors upon receiving the grant of the drilling program approval by the WA Department of Mines and Petroleum, which are the subject of Resolution 1.
Vendors	means the shareholders of APM being, Bull Equities Pty Ltd and Saba Nominees Pty Ltd.
VWAP	means volume weighted average market price.
WST	means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Terms and conditions of Placement Options

The rights attaching to the quoted attaching Placement Options are regulated by the Constitution, the Corporations Act, the Listing Rules and the general law. The following is a summary of the key terms of the quoted attaching Placement Options:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00pm (WST) on 31 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice on writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) 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;
- (ii) if required, give ASX a notice that complies with Section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations

Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) 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.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will apply for quotation of the Options on the official list of the ASX.

Schedule 3 Summary of Incentive Rights Plan

The key terms of the Incentive Rights Plan are as follows:

- (a) **Eligibility:** Participants in the Plan may be full-time and permanent part-time employees of the Company or any of its subsidiaries (**Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Participants will be offered Incentive Rights under the Plan.
- (c) **Offer:** The Board may issue an offer to a Participant to participate in the Plan. The offer will specify (unless otherwise determined by the Board):
 - the name and address of the Participant to whom the offer is made;
 - the number and types of tranches of Incentive Rights being offered;
 - in respect of each tranche:
 - the number of Incentive Rights being offered;
 - the vesting conditions, if any, of each tranche of Incentive Rights; and
 - the period during which each tranche of Incentive Rights must vest and be exercised (**Measurement Period**); and
 - any other matters required by either the Corporations Act or the ASX Listing Rules.
- (d) **Incentive Rights:** Incentive Rights may be offered to Participant, being:
 - retention rights, being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service; or
 - performance rights, being rights that vest and may be exercised into Restricted Shares, based on achievement of specified performance objectives.
- (e) **Restriction on Transfer:** An Incentive Right may not be transferred or otherwise dealt with (including being disposed of, encumbered, made subject to any interest in favour of any other person) and lapses immediately on purported transfer or dealing unless the Board, in its absolute discretion, approves the transfer or the dealing or transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.
- (f) **Vesting:** Where a tranche of Incentive Rights vest, the total value of those Incentive Rights will be paid in cash and Shares as follows:
 - \$1,000 per tranche that vests; and
 - the remainder in Restricted Shares, calculated using the following formula:
$$\text{Restricted Shares} = (A - B) / C$$

Where:

A = Number of Performance Rights or Retention Rights that vested x Share price

B = \$1,000

C = Share Price
- (g) **Vesting and Exercise – Issue of Restricted Shares:** Upon vesting and exercise of the Incentive Rights, the Company will issue Shares that may not be sold or otherwise disposed of by Participants until first advised by the Company, which the Company shall do at the first opportunity to do so, when Shares may be sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy (**Restricted Shares**). The Company will issue Restricted Shares to Participants or arrange for them to be acquired for the Participant's benefit by the trustee of the Plan.

- (h) **Rights attaching to Shares:** Each Restricted Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.
- (i) **Quotation on ASX:** The Company will apply for each Restricted Share to be admitted to trading on ASX. Quotation will be subject to the restrictions on trading placed on them by the Company, the ASX Listing Rules and any holding lock applying to the Shares.
- (j) **Bonus Issues:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in cases of bonus issues, the number of Incentive Rights held by a Participant shall be increased by the same number as the number of bonus shares that would have been received by the Participants had the Incentive Rights been fully paid ordinary shares in the Company.
- (k) **Rights Issues:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of general rights issues to the Company's shareholders, there will be no adjustment to the Incentive Rights. However, the Board may consider issuing options:
 - of a number up to the number of shares to which the Participant would have been entitled had the Incentive Rights been fully paid ordinary shares in the Company, and
 - the exercise price of such options will be equal to the amount payable by the Company's shareholders to exercise a right to acquire a Share.
- (l) **Capital Reconstructions:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of other capital reconstructions the Board may make such adjustments to the Incentive Rights as it considers appropriate with a view to ensuring that holders of Incentive Rights are neither advantaged nor disadvantaged.
- (m) **Forfeiture:** The Incentive Rights will be forfeited in the event that the Participant is dismissed for cause, resigns (unless otherwise determined by the Board) or where the Board forms the opinion that a Participant has committed an act of fraud, defalcation or gross misconduct in relation to the Company.
- (n) **Other Termination:** In the event that the Participant's employment is terminated due to death, total permanent disablement, retirement with the approval of the Board or Company initiated termination without cause, Incentive Rights granted in the financial year of termination of employment are forfeited in the same proportion as the remainder of the financial year bears to the full financial year. Incentive Rights that do not lapse at the termination of employment will continue to be held by Participants with a view to testing for vesting at the end of the Measurement Period. If the Share price at the date of testing is:
 - less than the Share price at the date of termination of employment, then all unvested Incentive Rights lapse, in which case the Board may, in its absolute discretion, determine to pay a cash bonus through payroll with PAYG tax deducted; or
 - not less than the Share price at the date of termination of employment, then retention rights that have not been forfeited will vest and performance rights will be tested once for vesting at the end of the Measurement Period. If the performance rights do not vest at that time then they will be forfeited.
- (o) **Change in Control Including Takeover:** In the event of a change in control including a takeover, the vesting conditions attached to the Incentive Rights will cease to apply and unvested Incentive Rights will vest in the proportion that the Share price has grown since the date of grant of the Incentive Rights or as determined by the Board, up to 100%. The Board will have discretion to vest some or all of the remaining unvested Incentive Rights with any Incentive Rights that do not vest lapsing.
- (p) **Distribution of Capital to Shareholders:** Should capital be returned to Shareholders, the Board has the discretion to vest some or all of the Rights prior to the distribution. The aim is to ensure that Participants are not disadvantaged by such an event.

Schedule 4 Terms and conditions of the Non-Executive Director Deferred Rights Plan

A summary of the terms and conditions of the Non-Executive Director Deferred Rights Plan is set out below:

(a) **Participants in the Plan**

All Non-Executive Directors of the Company are eligible to participate in the NED Plan (**Participants**). Other persons are not eligible to participate.

(b) **Limitations of Offers**

The Company must take reasonable steps to ensure that the number of Shares issued upon vesting and exercise of any Deferred Rights offered under the NED Plan, when aggregated with:

- (i) the number of Shares which would be issued if each outstanding offer of Deferred Rights, Shares, Options or rights to acquire Shares under an employee incentive scheme is accepted or exercised; and
- (ii) the number of Shares issued during the previous 5 years pursuant an employee incentive scheme extended only to employees or Directors, must not exceed 5% of the total number of Shares on issue at the time of an offer. In calculating this number, the Company will disregard any issues of Shares, Options or rights to acquire Shares made to persons outside Australia, made under a disclosure document or product disclosure statement, or made under one of the disclosure exceptions set out in Section 708 or 1012D of the Corporations Act.

(c) **Measurement Period**

The measurement period for determining whether service vesting conditions are satisfied will be three financial years commencing on 1 July of the year of grant and finishing on 30 June three years later, unless otherwise determined by the Board (**Measurement Period**).

(d) **Deferred Rights**

Vesting of Deferred Rights will be based on completion of a certain period of service with the Company.

Where a tranche of Deferred Rights vest, the total value of the vesting Deferred Rights (**Total Value**) will be paid in cash (\$1,000 per tranche that vests) and the remaining balance in Shares based on the VWAP of the Shares over the 10 trading days immediately prior to end of the Measurement Period (**Vesting Share Price**).

The Total Value is determined by multiplying the relevant number of vested Deferred Rights by the relevant Vesting Share Price.

If Deferred Rights have not vested and there is no opportunity for those Deferred Rights to vest at a later date then they lapse. Typically, this will be at the end of the Measurement Period for Deferred Rights, if they fail to vest.

There are no performance related vesting conditions as Guideline 8 in the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" indicates that Non-Executive Directors should not participate in incentive schemes designed for executives. Executive incentive schemes generally

involve performance vesting conditions, as is the case under the Company's current Incentive Rights Plan.

(e) **Withdrawal of Offers**

The Board may withdraw an offer of Deferred Rights at any time including after it has been accepted provided that the Company has not already granted the Deferred Rights.

(f) **Restriction on Transfer**

A Deferred Right may not be transferred or otherwise dealt with and lapses immediately on a purported transfer or dealing unless the Board approves the transfer or the dealing, or the transfer is effected by operation of law on death or legal incapacity of the participant's legal personal representative.

(g) **Shares**

All Shares issued upon vesting and exercise of the Deferred Rights may not be sold or otherwise disposed of until first advised by the Company, which the Company will do immediately upon Shares being capable of being sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy. All Shares issued will otherwise rank equally in all respects with the other fully paid ordinary shares on issue.

(h) **Bonus Issue and Pro-Rata Issues**

In the event of a bonus issue of Shares, the number of Deferred Rights held by a participant shall increase by the number of bonus Shares that the participant would have received if the Deferred Rights were Shares.

Subject to any requirements of the Corporations Act and the Listing Rules, in the case of a pro-rata issue of Shares, there will be no adjustment to the Deferred Rights. However, the Board may consider issuing Options of a number up to the number of Shares to which the Participant would have been entitled under the pro-rata issue, had the Deferred Rights been Shares. The exercise price of such Options will be equal to the amount payable by Shareholders to acquire a Share pursuant to that pro-rata issue.

(i) **Capital Reconstructions**

Subject to any requirements of the Corporations Act and the Listing Rules, in the case of other capital reconstructions the Board may make such adjustments to the Deferred Rights as it considers appropriate with a view to ensuring that holders of Incentive Rights are neither advantaged nor disadvantaged.

(j) **Termination of Employment**

Upon the termination of employment, the Deferred Rights will be treated as follows:

- i. **(Dismissal with cause):** in the event that the Participant is dismissed with cause, all Deferred Rights are forfeited;
- ii. **(Resignation other than retirement):** if the Participant resigns, all Deferred Rights are forfeited (unless otherwise determined by the Board);
- iii. **(Death, Disablement or Retirement):** Upon death, total permanent disablement or permanent retirement, all unvested Deferred Rights will lapse unless otherwise determined by the Board. In exercising this discretion the Board shall have regard to the remuneration period to which the grant of Deferred Rights relates and the portion of such period that remains.

Deferred Rights not forfeited cannot vest if the former Non-Executive Director has engaged in any communication, conduct or activities that have or may injure the reputation or business interests or operations of the Company.

If the Share price at the date of testing is more than the Share price at the date of termination then all unvested Deferred Rights will vest. If the Share price at the date of testing is less than the Share price at the date of termination of employment, then all unvested Deferred Rights lapse.

However in the event that Deferred Rights forfeit because the Share Price at the testing date is less than the Share price at the date of termination, the Board may, in its absolute discretion, determine to pay a cash bonus (not to exceed the value that would otherwise have been received if the Deferred Rights vested).

(k) Change in Control Including Takeover

In the event of a change in control of the Company, including a takeover, unvested Deferred Rights will vest.

For the purposes of this clause, a 'change in control' refers to when 50% or more of the ordinary shares are held by a person or group of associated persons or 50% or more of the votes that may be cast at a general meeting are under the control of a person or group of associated persons.

(l) Distribution of Capital to Shareholders

In the event that the Board decides to declare a special dividend or undertake a return of capital to Shareholders, the Board may determine that some or all of the unvested Deferred Rights shall vest or lapse.

A full copy of the NED Plan is available for inspection at the Company's registered office until the date of the Meeting.

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

Holder Number:

Vote by Proxy: OAR

Your proxy voting instruction must be received by **10.00am WST on Tuesday, 28 July 2020**, 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 in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



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.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman 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 Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman 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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the 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>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



STEP 3: Sign Here + Contact Details

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

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